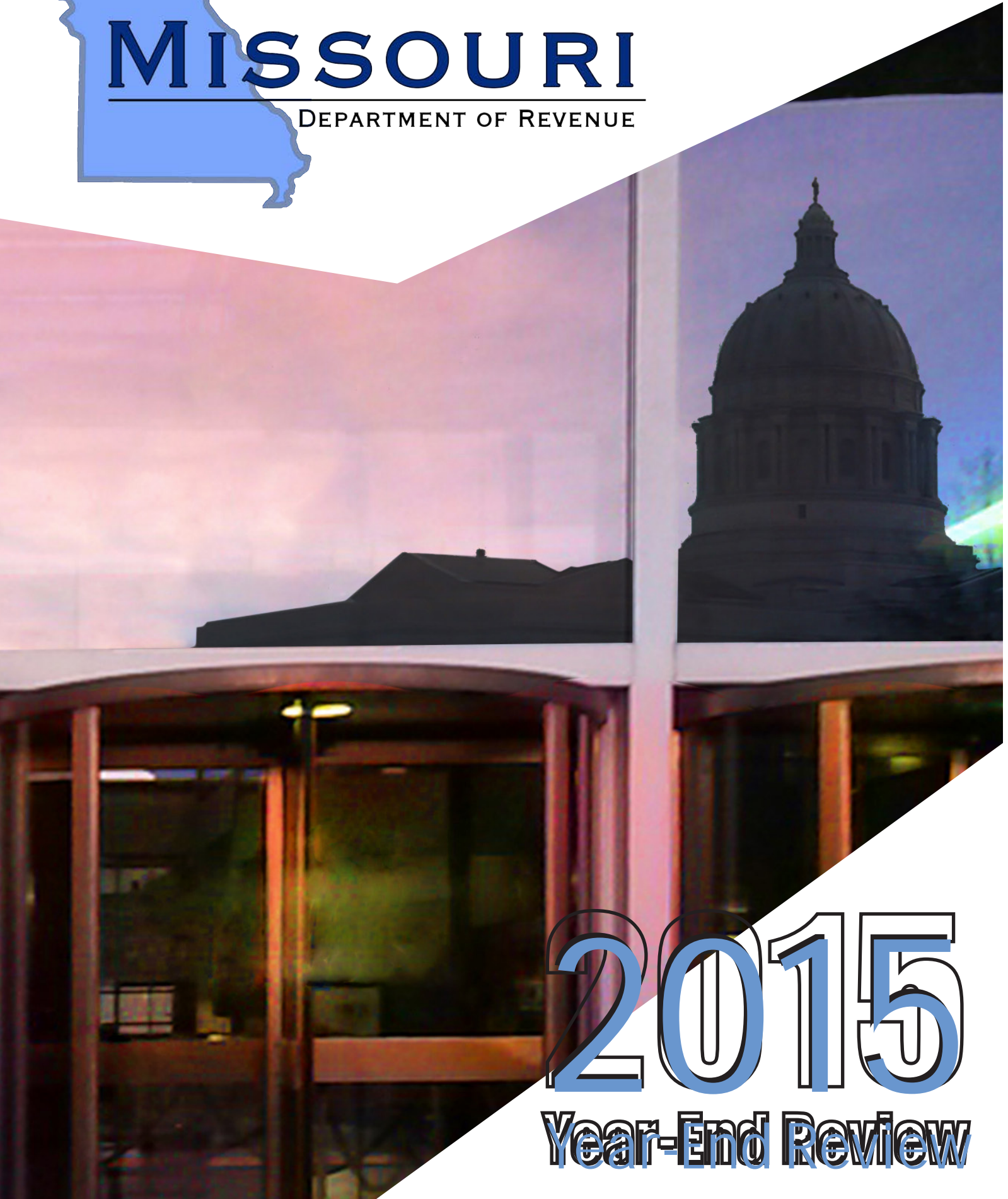




# MISSOURI

DEPARTMENT OF REVENUE



# 2015

Year-End Review

# Department Mission



**Director of Revenue**

*Nia Ray*

The mission of the Department of Revenue is to facilitate the proper functioning of state and local government by accurately and efficiently collecting and distributing state and local revenues, and to support public safety by effectively administering the laws related to motor vehicle sales and registration, and driver licensing. The Department accomplishes this mission by following the law; fostering innovation in its operations; developing cooperative relationships with other public and private entities; clearly communicating with the public; and treating everyone fairly and with respect.

## DIRECTORS

**John Mollenkamp**

Deputy Director

**Todd Iveson**

Director of Taxation Division

**Jackie Bemboom**

Director of Motor Vehicle and Driver Licensing Division

**Wood Miller**

Director of Legal Services Division

**Lynn Bexten**

Director of Administration Division

**Casey Wasser**

Acting Director of Legislation

**Michelle Gleba**

Director of Communications

**Trish Vincent**

Director of Projects

**Celeste Metcalf**

Director of Internal Audit and Department Liaison St. Louis Metro Area



**Director**  
Nia Ray



**Taxation  
Division Director**  
Todd Iveson



**Deputy Director**  
John Mollenkamp



**Acting Director  
of Legislation**  
Casey Wasser



**Director of  
Projects**  
Trish Vincent



**Director of  
Communications**  
Michelle Gleba



**Motor Vehicle and  
Driver Licensing  
Division Director**  
Jackie Bemboom



**Legal Services  
Division Director**  
Wood Miller



**Director of Internal Audit  
and Department Liaison  
St. Louis Metro Area**  
Celeste Metcalf

**Commissions**

Lottery

State Tax



**Administration  
Division Director**  
Lynn Bexten

	<b>Personal Tax Bureau</b>	Correspondence Exception Processing Electronic Services (all tax types)	Fiduciary Individual Income Non-compliance Discovery	Payment Processing Property Tax Credit Return Processing
	<b>Business Tax Bureau</b>	Cashiering Correspondence Corporate Income and Franchise	Excise Local Tax Administration Payment Processing Permanent Files	Return Processing Sales and Use Tire and Battery Withholding
	<b>Collections and Tax Assistance Bureau</b>	Business Tax Registration Delinquent Call Center	Collections Enforcement Non-Delinquent Call Center	
	<b>Field Compliance Bureau</b>	Cape Girardeau Jefferson City Joplin	Kansas City Springfield St. Joseph	St. Louis Atlanta Chicago Dallas New York San Francisco
	<b>Driver License Bureau</b>	CDL Section License Issuance DL Public Service I and Records DL Public Service II	FACT Processing and DL Help Desk ADM Alcohol, Court Orders, and Conviction Processing MFR and Reinstatement Processing	
	<b>Motor Vehicle Bureau</b>	MV Call Center 1 MV Call Center 2 MV Record Center Central Branch Complex Product Issuance	Mail-in and Online Product Issuance GRS Quality Assurance and Delinquent Fees Quality Assurance and Processing Research and Support	
	<b>License Offices Bureau</b>	Contract Compliance Customer Service, Satisfaction, and Office Services	Inventory, Financial, and General Services License Office Operations	
	<b>General Counsel's Office Bureau</b>	Bankruptcy Income Tax	Personnel Sales Tax	Transportation Kansas City St. Louis
	<b>Compliance and Investigation Bureau</b>	Jefferson City Kansas City	Poplar Bluff	Springfield St. Louis
	<b>Criminal Tax Investigation Bureau</b>	Jefferson City	Kansas City	Springfield St. Louis
	<b>Financial and General Services Bureau</b>	Accounting Central Stores/Warehouse/Archive Child Support Enforcement Delivery Services Distribution Center	Investment and Cash Management Purchasing Mail Service Center MTAS Motor Vehicle Refunds	
	<b>Personnel Services Bureau</b>	Communications and Training		Personnel



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We don't expect something for nothing. But give us an opportunity? We roll up our sleeves and get to work. Give us a challenge? We rise to meet it.

*Gov. Jay Nixon, State of the State Address, Jan. 21, 2015*

# 2015 Department Statistics

## Revenue Collections (FY2015)

Income Tax.....	\$7,463,060,672
State Sales and Use Tax.....	\$3,430,314,960
Local Sales and Use Tax.....	\$3,134,151,262
Fuel Tax.....	\$705,045,943
Other Taxes.....	\$385,770,547
Insurance Tax.....	\$296,030,410
Cigarette Tax.....	\$104,698,197
Financial Institutions Tax.....	\$24,813,508

## Local Tax Collections (FY2015)

Local Sales Tax.....	\$3,011,735,377
Local Option Use Tax.....	\$122,415,885

## Local Tax Distributions (FY2015)

Cities.....	\$1,774,029,577
Counties .....	\$1,518,404,326
Ambulance District.....	\$49,247,153
Community Improvement .....	\$40,712,898
Transportation Development .....	\$71,639,918
Fire Protection Districts .....	\$16,945,905
Tourism Community .....	\$7,936,743
Emergency Services District.....	\$13,184,536
Community Development .....	\$3,607,774
Regional Jail Districts .....	\$1,035,556
School Districts.....	\$6,015,682
Hospital Districts.....	\$394,732
Regional Recreation Districts .....	\$5,383
Zoological Districts .....	\$16,515,801
Public Library Districts.....	\$1,202,701

## MVDL (CY2015)

Driver Licenses Issued (FY2015) .....	243,800
Driver Licenses Renewed (FY2015).....	768,210
Motor Vehicle and Marine	
Titles Issued .....	2,000,705
Motor Vehicle Registrations.....	4,059,889
License Office Return-to-State	
Collected.....	\$1,477,589.08

## Legislative (CY2015)

Bills Reviewed .....	22
Revenue Co-Department Comment Letters .....	6
Fiscal Notes Reviewed .....	764
Initiative Petitions Reviewed.....	136
Administrative Regulations .....	14
• Two Emergency Amendments	
• Twelve Proposed Amendments	

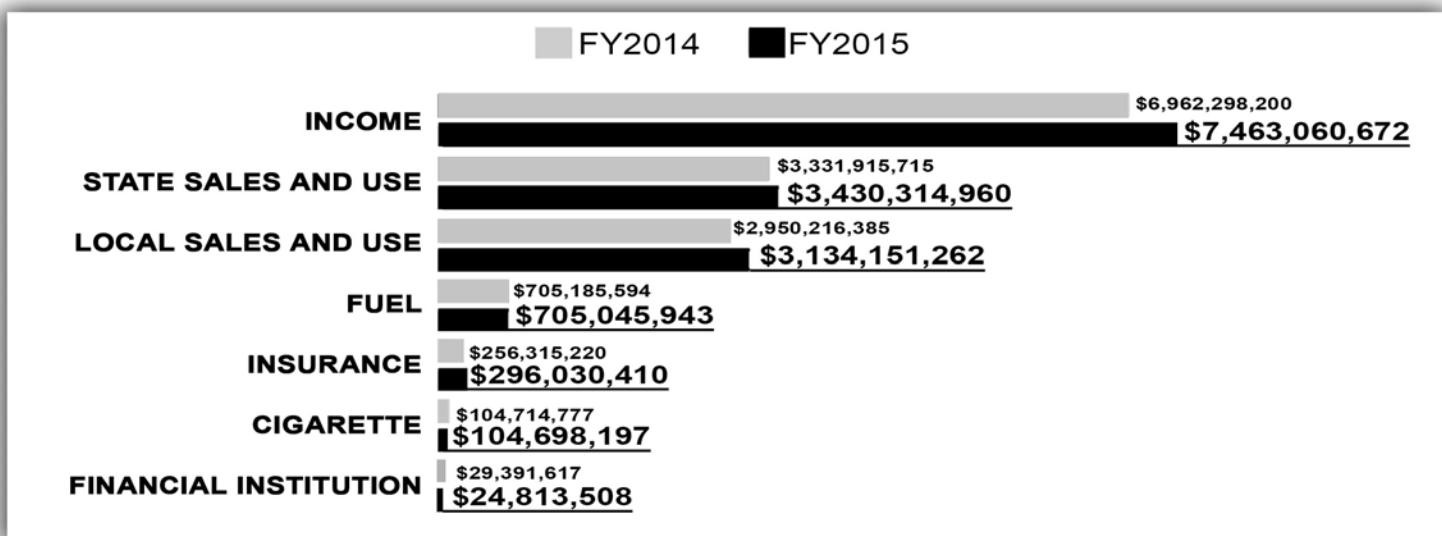
## License Office Compliance (CY2015)

Contract Compliance Checks.....	317
Office Visits	
(Includes 2,008 monthly reviews) .....	3,450
Cash Counts.....	2,070
Notices to Comply Issued.....	131
Semi-Annual Inventories .....	329
Internal Audits - License Offices.....	46
Liquidated Damages.....	\$23,566
Wait Time Measures - 97% of customer transactions viewed involved less than a 15-minute wait.	

## Federal Grants (CY2015)

Department and Law Enforcement Training.....	\$25,093
Attorney and Legal Assistant.....	\$124,447.37
Odometer Fraud Enforcement.....	\$65,000
Total Federal Funds .....	\$214,570.37

## REVENUE COLLECTED - BY TAX TYPE



## Tax Amnesty

The Missouri Tax Amnesty program, signed into law by Gov. Jay Nixon in April 2015, provided individuals and businesses with a one-time opportunity to pay back taxes without paying interest or penalties. The program ran from Sept. 1 to Nov. 30 and resulted in collections exceeding \$50 million in unpaid taxes to the state of Missouri.



## Website Update

The Department worked closely with the Office of Administration - Information Technology Services Division (OA-ITSD) to revamp the Department website <http://dor.mo.gov> - which was revealed in the fall. The goal of the redesign was to align the new look of the website with current state standards requiring the website to be accessible and mobile friendly. Features of the new website include improved navigability and user friendliness.

The Department's website consistently ranks as one of the most visited state government websites and the audience continues to grow. When the Department website was introduced in 1996, the total number of page views for the year was 74,795. This year, the Department's site received over 27 million page views, with form and manual pages receiving the highest number of page visits.



## License Office Contracts

The Department rebid several license office contracts last year after a state law required changes to request for proposals. The new law prohibited return-to-state preference and created point preference for 501(c)s that reinvest more than 75 percent of their net proceeds to charitable organizations. As a result, the Department rebid 30 license office contracts; nine contracts were awarded this year.

## Department Agents Receive Awards for Service

Distinguished Service Awards were given to Special Agent David Buehrle and Special Agent Jamie Dam. Agents Buehrle and Dam were part of a multi-agency investigation that resulted in 13 people being indicted on fraud charges.

The fraud involved various schemes including altering and counterfeiting documents for the purposes of obtaining state issued motor vehicle titles. These titles were then used to defraud the state, scam innocent vehicle purchasers, and swindle motor vehicle title loan companies across the nation. Guilty parties received up to 136 months of incarceration.



(From left): U.S. Attorney Richard Callahan, St. Louis Metropolitan Police Detective Jesse Dyson, Department Special Agents David Buehrle and Jamie Dam, Illinois Secretary of State Police Investigator Keli Lawson, United States Postal Service (USPS) Inspection Service Team Leader Tommy G. Kerns, USPS Inspection Service Fraud Analyst Henry P. Bruemer and Assistant U.S. Attorney Tracy Berry.



## Personnel Services Makes Headlines



Personnel staff members, Josh Runyan and Christie Schepers were featured in the Oct. 16 edition of the Jefferson City New Tribune (JCNT) for their participation in an area job fair located in the community room of the Capital Mall, in Jefferson City.

The Department was one of several state agencies in attendance that were looking for qualified workers. The photograph (taken by JCNT reporter Julie Smith) appeared in the newspaper and depicts Personnel staff answering questions for an individual looking for work.

## Korea Defense Service Medal Specialty License Plate

A provision establishing a Korea Defense Service Medal specialty license plate was included in Senate Bill 254. The Department worked with the Missouri Veterans Commission and Rep. John McCaherty's office on the design of the plate during the 2015 veto session.

Once an agreed-upon design was in place, the Department worked directly with the constituent to obtain all the necessary documentation and fees, and sent a request for Missouri Vocational Enterprises to expedite the manufacturing of the license plate. In the end, the Department was able to have the plate ready for the constituent on the day of veto session.

Prior to any legislative work being conducted, the veteran and his wife were at center stage on the House floor for everyone to see. Rep. John McCaherty and the senator who sponsored Senate Bill 254 presented veteran Gerald Rogers with his personalized Korea Defense Service Medal license plate.

The moment was truly special. Every person in the House of Representatives stood and applauded the veteran for several minutes.



*ABOVE: The House of Representatives' chamber erupted in applause as veteran Gerald Rogers receives a framed copy of Senate Bill 254.*

*LEFT: Rep. John McCaherty (left) with veteran Gerald Rogers and his wife, Caroline.*



## Employee Recognition

The 2015 State Employee Recognition Week was celebrated June 8-12. The capstone event was the State Employee Recognition Day on June 11. A booth was set up near the southwest entrance of the Capitol grounds to promote the contributions of the Department's employees everywhere.

Staff manned a booth at this year's Employee Recognition Day Event.

Director Nia Ray and Deputy Director John Mollenkamp took time to visit the Department's various work areas and present employees with special goody bags.



*Above: Director Nia Ray hands out goody bags on Employee Appreciation Day. (From Left: Amanda Knipp, Brad Brester, Director Nia Ray, and Russ Quinn.)*

*Left: Cathy Hershey at the Department's Employee Recognition Booth.*

## Action to Implement Municipal Court Reform

The Department filed an emergency rule, on Sept. 1, to direct local governments in the process of implementing the municipal court reforms required by Senate Bill 5. The emergency rule, which went into effect Sept. 11, directs local governments regarding the process of remitting excess revenue they receive from fines, bond forfeitures, and court costs associated with minor traffic violations. Senate Bill 5 was signed by Gov. Jay Nixon on July 9. This bill lowers the percentage of annual general operating revenue cities, towns, villages, and counties are allowed to retain from minor traffic violations. Revenue in excess of these statutory limits must be remitted to the Department. Senate Bill 5 also establishes a cap on fines and court costs for minor traffic offenses and prohibits courts from suspending a person's driving privilege for failure to appear in court or failure to pay a fine for a minor traffic violation.

"This rule sets out the requirements for remitting excess revenue and directs local governments as they work to make the changes required under this landmark legislation," said Director Nia Ray. "The Missouri Department of Revenue will do its part, within this comprehensive and multi-faceted effort, to reform and improve our justice system at its most basic level — local government."

Additionally, the Department has received orders from several municipal courts removing license suspensions that had been imposed for reasons such as failure to appear in court. Since Sept. 1, the Department has sent notices to thousands of people regarding their eligibility for driving privilege reinstatement.

## Reaching Out to Taxpayers

The Department hosted four tax forums throughout the state to provide elderly, disabled, and low-income residents with an opportunity to learn about free tax assistance that may be available to them during the tax season. The forums were held Jan. 12 and Jan. 13 in St. Louis, Kansas City, Joplin, and Springfield.

Representatives with American Association of Retired Persons (AARP) and the Internal Revenue Service's Volunteer Income Tax Assistance (VITA) program were at the forums to speak with citizens about the services they offer.

"We wanted to provide qualified Missourians throughout the state with an opportunity to speak face-to-face with organizations that can provide them with tax assistance," said Director Nia Ray.

The St. Louis forum was attended by eight individuals; the Joplin forum was attended by five individuals; and the Springfield forum was attended by six individuals.



*Above: Citizens attend a forum held in Springfield.*

*Left: A representative with VITA assists a taxpayer at the Joplin forum.*

# Informational Video Projects

The Public Outreach Group continued to develop and update existing informational videos which are available for viewing on the Department's YouTube channel. The videos are aimed at informing and educating the public about the services offered by the Department.

During 2015, the informational videos received over 11,000 views. Some of the video topics include:

- Requesting a Sales or Use Tax Refund;
- Filing an Amended Sales Tax Return;
- Missouri Property Tax Credit;
- Individual Income Tax Filing Tips;
- How to Register Your Business In Missouri; and
- Missouri 1099-G.



*The Sales or Use Tax Refund Request video provides information for sellers requesting a sales or use tax refund.*



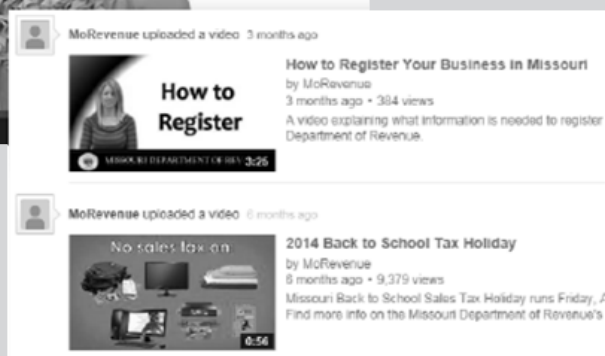
*The Filing an Amended Sales Tax Return video provides helpful information on filing an amended sales or use tax return.*

## It's Tax Season!



*The new video is one of several on the Department's YouTube channel that is aimed at informing and educating Missourians about Department services.*

The Department produced a new Individual Income Tax video that provides helpful tips to Missourians for the 2015 tax season. The video addresses topics such as the benefits of filing early, filing electronically, paying your taxes online, having your refund directly deposited into your bank account, and checking the status of your return online.

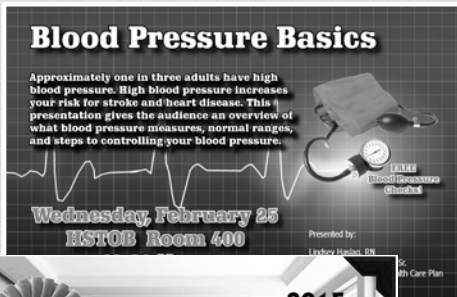


# Workplace Wellness

The wellness program offered and sponsored the following events:

## Lunch and Learn Presentations:

- Understanding Blood Pressure and Diet
- Blood Pressure Basics
- Women's Health
- Cutting Through the Clutter



## Employee Morale Activities:

- Healthy Recipe Contest
- Show Us Your Red, White, and Blue Photo Contest
- Halloween Costume Contest
- Festive Sweater, Necktie, and Socks Contest



## Wellness Walks:

- Heart Health Walk
- National Employee Health and Fitness Day Walk
- Fall Fitness Walk
- Winter Wellness Walk

Invitations were extended to other state agencies to participate in the wellness walks.

There were a total of 2,513 participants. Missouri Consolidated Health Care Plan (MCHCP) promoted the Quit the Sit initiative to encourage employees to incorporate standing throughout the day and reduce the amount of time sitting. This initiative was promoted at the Department by providing equipment which allows employees to stand for periods of time. The equipment includes both fixed stations where employees can utilize an adjustable work surface at a designated location or check out equipment that can be attached to their existing work surfaces.

MCHCP also sponsored the annual State Employee 5K Run/Walk. A total of 26 Department employees participated in this event.

## Buddy Pack Food Drive

The wellness program sponsored a Buddy Pack Food Drive that yielded 616 pounds of food and \$727.50 in monetary donations - which equated to an additional 10,913 pounds of food that could be purchased by the Food Bank.



*Director Nia Ray and Deputy Director John Mollenkamp enjoy healthy recipe entries.*



*Employees enjoying the beautiful weather during a wellness walk event.*



**Buddy Pack Food Drive**



# Taxation Division



**Todd Iveson**

## Taxation Division

The Taxation Division serves taxpayers and state and local governments by ensuring every taxpayer pays the right amount of tax through education, technological innovation, and continuous process improvement. The division respects our customers, their private information, and each other.

## Personal Tax Bureau

The Personal Tax Bureau oversees the processing and administration of the state's individual income tax, fiduciary tax, and property tax credits.

## Business Tax Bureau

The Business Tax Bureau oversees the processing and administration of the state's business taxes. These include corporation income and franchise taxes, withholding tax, sales and use taxes, motor fuel tax, excise taxes, and many other miscellaneous fees and taxes. The Business Tax Bureau also deposits more than \$13.5 billion annually for all tax types administered by taxation and distributes taxes collected on behalf of cities and counties to the appropriate jurisdictions.

## Collections and Tax Assistance Bureau (CATA)

The CATA Bureau staffs a call center to assist citizens with tax questions, information about refunds, or how to register a business. The delinquent call center also assists citizens to resolve tax bills through additional information, payments, or payment plans. The bureau also is responsible for enforced collection actions such as garnishments, injunctions, and levy of tills.

## Field Compliance Bureau (FCB)

The FCB audits in-state and out-of-state taxpayers to ensure compliance with Missouri's business tax laws.

## Taxation Division CY2015 Statistics

Returns Processed .....	5,543,540
Over 3.6 million electronic (65%)	
Correspondence Answered .....	376,231
Telephone Calls Answered .....	640,999
Refunds Processed .....	1,977,378
Amount Refunded .....	\$1,252,028,344.54
Sales and Use Tax Refunds Reviewed .....	3,380
Total Sales and Use Tax Refunds Disallowed .....	\$27,961,148.46
Total Dollars Deposited .....	\$14,761,454,093.60
Average Daily Deposit .....	\$58,577,198.78
Return on Investment (RIO) (1)	
Non-Compliance Programs (2) .....	77:1
Delinquent Call Center (3) (Inbound and Outbound) .....	23:1

(1) ROI is Revenue less costs/costs. (2) Costs include salary, fringe benefits, expense and equipment, costs for vendor development of new discovery programs and refreshes of existing programs, and maintenance for the case management system. Postage costs are not included. Revenues include five years of follow-on revenue representing future compliance that would not have been realized but for these efforts. (3) Costs include salary and fringe benefits, expense and equipment, and call management system maintenance.



### House Bill 384 Implementation

House Bill 384 authorized an amnesty from the assessment or payment of all penalties, additions to tax, and interest on delinquencies of unpaid taxes administered by the Department which occurred on or prior to Dec. 31, 2014. The taxpayer was required to apply for amnesty; pay the unpaid taxes in full from Sept. 1 to Nov. 30; and agree to comply with state tax laws for the next eight years.

The Missouri Tax Amnesty Program resulted in collections of over \$50 million in unpaid taxes to the state of Missouri. All four bureaus within the Taxation Division were heavily involved in the implementation and application of the program.

### Business Tax Bureau

The Business Tax Bureau reorganized various sections in preparation for Release 2 of the Integrated Revenue System.

### Business Tax Processing

The Business Tax Processing area worked with OA-ITSD to provide a downloadable text file of all of a taxpayer's open locations with applicable county, city, item codes, and tax rates. The text file is available through the Department's sales/use tax online filing application. This allows businesses that create their own returns to have up-to-date information and reduce reporting errors.

### Corporate Tax, Financial Institutions Tax, Support Services, Excise Tax, and County Fees

The Corporate Tax Section reorganized and this allowed for additional cross-training opportunities and placed more technical positions under the Assistant Supervisor.

The Support Services section cross-trained employees to complete certain job functions which allowed them to more efficiently process refile documents and return mail.

### Senate Bill 231 Implementation

The Excise Tax Section implemented Senate Bill 231 by sending bulletins to marina owners and distributors. The bill allows motor fuel distributors to sell fuel tax exempt if the fuel is delivered to a marina in the state solely for use in watercraft.

### Senate Bill 5 Implementation

The Excise Tax Section worked with the State Auditor's Office and implemented changes that resulted from this legislation. The bill requires an addendum and a municipal court certification to be filed by a city, town, village, or county with the annual financial statement they submit to the State Auditor's Office. The Department is required to issue letters to political subdivisions that fail to submit the required addendum or certification and bill political subdivisions if they do not meet all the requirements of Section 479.359, RSMo.

### Phase-Out of Corporation Franchise Tax

The Corporation Tax Section successfully tested and implemented the final tax form and system changes needed to complete the phase-out of corporation franchise tax.

### Personal Tax Bureau

The Personal Tax Bureau continued its efforts to identify fraudulent individual income tax and property tax credit claims. In March, a collaborative effort started between the Internal Revenue Service (IRS), State Departments of Revenue, and the software industry to protect taxpayers from identity theft and refund fraud. The IRS, State Departments of Revenue, and the software industry increased their information sharing and reporting of potential fraudulent patterns and trends resulting from identity theft. This sharing of information continues to assist the Department in identifying fraudulent Missouri tax returns.

A new analytical scoring model was also developed and implemented in January 2016 that will assist staff in the Personal Tax Bureau in identifying fraudulent returns in a more efficient manner.

***The Personal Tax Bureau identified 51,222 fraudulent returns and prevented \$85.7 million from being refunded.***

**The Personal Tax Bureau implemented several pieces of legislation including:****House Bill 384**

In addition to the imposition of tax amnesty, this legislation also created a reciprocal collection and offset of indebtedness agreement with the Department, the Office of Administration (OA), and the federal government. The federal government will offset federal payments to vendors and contractors if the recipient has a debt owed to the state of Missouri. The state will offset state payments to vendors and contractors if the recipient has a debt owed to the federal government.

**House Bill 517**

This legislation created a stillborn child deduction where a taxpayer can claim an exemption in the taxable year in which the stillbirth occurred, if the child otherwise would have been a member of the taxpayer's household.

The legislation also requires interest to be paid on any individual income tax refund or overpayment if it is not refunded within 45 days of the date the return or claim was filed.

**Senate Bill 5**

This legislation creates an offset program with the Department and the municipal courts. Individual income tax refunds of \$25 or more will be offset for delinquencies owed to the municipal courts.

**Senate Bill 174**

This legislation created the Achieving a Better Life Experience (ABLE) program that provides a subtraction from federal adjusted gross income of up to \$8,000 for single filers and \$16,000 for married filers for contributions made to the ABLE program for qualified disability expenses.

**Senate Bill 366**

This legislation allows for all or part of an individual income tax refund to be direct deposited into the Missouri Higher Education Savings Program.

**Collections and Tax Assistance Bureau (CATA)****Business Tax Registration**

The Business Tax Registration Section and the Business Tax Bureau began registering special event vendors from their special event sales tax reports to streamline the remittance and reporting of sales tax for the vendors. Event promoters and vendors were notified of the process change and were informed that after the end of CY2015, vendors without a sales tax license would be required to submit a business tax application. Based on feedback from promoters, an abbreviated business tax registration, the Missouri Special Events Application (Form 2643S), was created for special event vendors.

**Collections Enforcement**

Collections Liaison staff worked with the Taxation General Counsel's Office to create a new form. The Partial Satisfaction and Discharge of Tax Lien (Form 5615) provides sellers, buyers, title companies, financial institutions, and agents a method to request a partial release of a lien.

Staff prepared and delivered training for third party vendors on our collection system, garnishment process and collection techniques. The training sessions were offered each quarter in 2015 and 30 prosecuting attorney staff attended.

**Non-Delinquent Call Center**

Based on feedback from trainees, the Non-Delinquent Call Center revamped the new hire training procedures. The changes resulted in most trainees being ready to take calls without any assistance one week earlier than prior trainees

**Delinquent Call Center**

In August 2015, changes were made to the Delinquent Call Center training program. Trainees were provided with manuals that included the information necessary to navigate in the various systems and respond to calls. Prior to this, the trainees were taking notes from the trainer's instructions.

***With this change, we have seen trainees ready to take calls two weeks earlier than prior trainees.***

In addition, at the recommendation of a trainee, a PowerPoint was added to the instructions to provide a visual aide to the training.

## Field Compliance Bureau

The Field Compliance Bureau (FBC) implemented a new audit review process in 2015. With this new process, the bureau gains efficiencies by the audit reviewer working more closely with the supervisor and auditor during fieldwork as opposed to when the audit work is completed. This process also established specific industry guides and checklists to provide more efficient audit planning in the beginning stages of the audit. Additionally, Audit Summary Report training was provided in order to assist auditors with more thorough report write-up. These measures create more efficient audit planning, write-up, and review throughout the duration of the audit process.

Several Case Audit Management System enhancements were implemented in 2015 for the FBC, all providing efficiency gains throughout the audit process. All of the efficiencies allow auditors to import, print, or calculate many periods with the click of a button. Prior to these changes, it was common for the auditor to complete certain actions up to 36 times during the different phases of the audit.

*The FBC's Computer Audit Specialist team developed three computer audit training modules that were administered to all auditing staff in 2015.*

These modules educated auditors on Excel and computer skills necessary to perform their job functions. The team currently has three additional modules in development that they plan to roll out in 2016.

## Electronic Filing

In late 2015, the Department began an initiative to automate data exchanges between the Department and payroll agencies for the clients they represent. In these programs the payroll agency must complete a Memorandum of Agreement before they are eligible to participate. Once eligible, the payroll agency can participate in the following programs:

- **Missouri ID Match Program** – This program allows payroll agencies to submit a file, via our secure data transfer website, of their Missouri clients that have not provided a Missouri ID. The file is then matched against our database and a file is returned including the Missouri IDs for accounts that were matched.
- **Withholding Filing Frequency Program** – This program allows payroll agencies to submit a file, via our secure data transfer website, of their Missouri clients. The file is then matched against our database and a file is returned that includes the current filing frequency required by the client.

- **Bulk reporting** – This program allows payroll agencies to submit an electronic file containing all clients with zero returns and clients filing monthly reconciliations (MO-941 filings). Entities who file large volumes of MO-941 returns (payroll services, software providers, financial institutions, large companies, etc.) have the option of producing an electronic file in lieu of sending in large numbers of paper returns. A minimum of 25 Missouri clients is required for participation in this program. This program has been in place with six large payroll companies for a couple years.

*Outreach to bring more payroll agencies on board with electronic filing was launched during 2015.*

This project will continue through 2016. The Department currently has nine payroll companies in the development phase within their agency. These automated processes will seamlessly migrate into the new Integrated Revenue System.

# Motor Vehicle and Driver Licensing Division



**Jackie Bemboom**

## **Motor Vehicle and Driver Licensing Division (MVDL)**

The MVDL Division provides accessible and efficient services which allow for compliance with state and federal motor vehicle and driver licensing laws and regulations for issuing driver licenses and motor vehicle titles and registration and collecting required fees and taxes, while ensuring the safety and confidentiality of Missouri motorists and maintaining the integrity of the Department.

## **Driver License Bureau (DLB)**

The DLB issues commercial and non-commercial driver licenses, nondriver licenses, and permits. It is also responsible for suspending, revoking, and disqualifying licenses. This bureau maintains records relating to traffic violation point assessments, the administrative driving while intoxicated (DWI) and abuse-and-lose laws for alcohol

and drug offenses, failure to appear in court for traffic violations, the safety responsibility (mandatory insurance) laws for uninsured motorists, and a variety of court-ordered driver license suspensions. The bureau participates in compact agreements between jurisdictions by sharing and transmitting driver and conviction information.

## **Motor Vehicle Bureau (MVB)**

The MVB is responsible for the titling and registration of motor vehicles, all-terrain vehicles, trailers, manufactured homes, and marine craft in the state, and issuing disabled placards and temporary permits. The bureau collects all fees and taxes associated with the registration and titling described above. It is also responsible for licensing and regulating motor vehicle and marine craft dealers and manufacturers, and issuing registration certificates to dealers and businesses.

## **License Offices Bureau (LOB)**

The LOB manages the operations of 177 license offices throughout the state. These offices process driver licensing, motor vehicle, marine craft, titling, and registration transactions. License office contracts are awarded through the competitive bidding process. The bureau ensures that all license offices comply with applicable laws, policies, procedures, and contractual obligations.

## 2015 LICENSE OFFICE COMPLIANCE

Contract Compliance Checks .....	317
Office Visits (includes 2,008 monthly reviews) .....	3,450
Cash Counts .....	2,070
Notices to Comply .....	131
Processed requests for license office operational changes (i.e., changes in location, hours of operation, management, etc.) .....	229
Semi-Annual Inventories .....	329
Interim Inventories .....	33
Close-out Inventories .....	23
Internal Audits - License Offices .....	46
Liquidated Damages Assessed .....	\$23,566
Wait Time Measures – customer transactions viewed that involved less than a 15-minute wait. ....	97%



## Motor Vehicle and Driver Licensing Division CY2015 Statistics

### Driver License Statistics

Function	Volume
Driver License (FY2015)	
New Issue . . . . .	243,800
Renewals . . . . .	768,210
Total . . . . .	1,012,010
Nondriver License (FY2015)	
New Issue . . . . .	113,917
Renewals . . . . .	24,643
Total . . . . .	138,560
Alcohol Influence Reports Received . . . . .	23,705
Convictions Received . . . . .	744,953
Safety Responsibility Filings	
Received for Reinstatement . . . . .	147,848
Substance Abuse Traffic Offender	
Completion Forms Received . . . . .	20,728
Reinstatement Fees Received . . . . .	68,337
Accident Cases Established . . . . .	5,596
Immigration Verifications Completed . . . . .	61,867
Identification Cards Issued to Offenders	
Released from Dept. of Corrections . . . . .	1,663
Suspension and Revocation	
Actions Placed on Drivers' Records . . . . .	232,773
Driver License Public Service	
Area Calls Received . . . . .	623,931
Driver License Office	
Area Calls Received . . . . .	85,264

### Motor Vehicle Statistics

Function	Volume
Titles Issued . . . . .	2,000,705*
Number of Registrations . . . . .	4,059,889*
Online Registration Renewals . . . . .	178,844
Walk-ins Served . . . . .	25,463
Enhanced Security Tabs Issued . . . . .	659,104
Dealer Sales Reported Online . . . . .	1,395,444
Franchise Dealer Sales Reported . . . . .	672,957
Used Car Dealer Sales Reported . . . . .	417,877
Franchise Dealers Licensed . . . . .	520
Used Car Dealers Licensed . . . . .	4,591
Dealer License Renewals . . . . .	5,175
Motor Vehicle Liens Filed Online . . . . .	577,405
Online Motor Vehicle Record Lookups . . . . .	778,013
Counties Reporting Property Tax Data Electronically . . . . .	92
Motor Vehicle Public Service	
Calls Received . . . . .	339,612
Motor Vehicle License Office	
Area Calls Received . . . . .	67,220

\*Includes marine and motor vehicle

### 2015 License Office Request for Proposal Statistics

Request for proposals issued . . . . .	30
Awarded license office contracts . . . . .	9
Transitioned license offices upon contract award . . . . .	9

### 2015 License Office Customer Service Survey Results

98% of responses indicated offices were professional  
 97% of customers who responded waited in line less than 15 minutes  
 97% of responses indicated offices were courteous  
 98% of the responses indicated offices answered their customers' questions correctly  
 96% of the responses indicated offices met or exceeded their customers' expectations

## Driver License Bureau

### System Updates and Process Improvements

After successful testing by the Driver License Bureau (DLB), OA-ITSD released a new version of the Missouri Electronic Driver License System (MEDL) (1.8.0.0); Central Driver Information System (CDIS); Missouri Driver License System (MODL); and Missouri AAMVAnet Interface (MAI) with the implementation of House Bill 103 (federal CDL permit rule) requirements.

A new utility allows the DLB employees (with the proper security access) to combine SR-22 filings; previously the clerks had to send MODL print screens and other documentation to OA-ITSD to complete these changes.

The Certificate of Membership - Medical Vision Advisory Board form (Form 5564) was redesigned to incorporate an image of the Department seal replacing the embossed gold seal previously used.

The DLB implemented the provisions of Senate Bill 5 by creating a sweep to provide an Excel file to courts on all active in-state failure to appear suspensions on record for their court. The Excel file was sent to each court, upon request, for editing and once completed it was returned to the DLB for processing. The edited file was uploaded to the mainframe for processing and the driver records were systematically updated according to the courts' instructions.

The DLB transitioned the responsibility for the driver license vendor background checks to the Personnel Services Bureau (PSB). Both the vendor and the Missouri State Highway Patrol (MSHP) were notified of the change.

The DLB conducted training for several staff members from the State Treasurer's Office on how to use and navigate through the MODL's Driver License Inquiry (DMDI). They can now use the system to verify addresses and no longer need to contact the DLB.

Revisions were made to the Mail-In Driver License Application (Form 4317) and the Military Application with Power of Attorney (Form 4318). The Motor Voter Registration Application (Form 4386), was incorporated into both of these forms. When the forms are completed online and the applicant wants

to register to vote, some of the information keyed at the beginning will pre-populate the voter registration application at the end.

The Administrative Alcohol/Court Orders/Conviction Section implemented a process improvement allowing the General Counsel's Office to send Close-Out Memos to the DLB via e-mail instead of paper. This saves time by reducing the mail delivery process. Since many staff attorneys are in the field, it reduces the delivery time by days and prevents documents from being incorrectly delivered or lost.

The DLB worked with the Personnel Services Bureau to update the "Driver License Procedure Knowledge Tests" posted on the Intranet for license office training. All tests were updated and reposted.

***One hundred seventy-four vision machines were shipped to the field coordinators for distribution to license offices. These replaced prior vision machines that were almost 30 years old.***

The following purges were completed and are now scheduled to run annually to free up database space.

- SR-22/SR-26 filings that were over ten years old and no open actions on record for the driver were selected; over 2 million filings and 386,000 policies were removed from the system.
- License Issuance History purge was run in three stages and there were over 3.2 million records purged.
- Action History purge was run and over 3.2 million Action History records were purged.

### Compliance

On Oct. 7, the DLB completed a successful compliance review of Missouri's Commercial Driver License (CDL) program with the Federal Motor Carrier Safety Administration (FMCSA). The purpose of the review was to determine if Missouri's CDL program is in substantial compliance with all requirements of 49 U.S.C. Section 31311(a), as defined in 49 CFR 384.301. The FMCSA reported no outstanding program findings.

***Ellisville, Miner, Arnold, St. Peters, and Wellston Municipal Courts began reporting convictions electronically.***

MV/DL Division Highlights

Federal law requires the posting of commercial driver license traffic dispositions to an offender's driving record within ten days of the conviction date. The bureau and the Office of State Courts Administrator continue to work with the municipal courts in the state to enable them to report dispositions electronically.

## **Legislation Implemented**

### **House Bill 103**

Implemented the Federal CDL Permit Rule provisions of this legislation. (This is from the 2013 legislative session.)

### **Senate Bill 5**

Limits the underlying violations that municipalities and county courts can submit to be used to add an Instate Failure to Appear suspension to a driver's record.

### **House Bill 179**

Added a United States Uniformed Services Identification Card (DD-2) as an acceptable document to receive a veteran designation on the driver license. The acceptance of the DD Form 2 is in addition to the DD-214 that was already accepted.

### **House Bill 517**

Requires the Department to identify all monies received within two business days and immediately thereafter deposit such monies.

## **Conferences, Meetings, and Appointments**

Representatives from the DLB attended and participated in the following conferences/meetings:

- 2015 CDL Coordinators/IT Managers' Meeting in Charlotte, North Carolina.
- Subcommittee on Elder Mobility and Safety (SEMS) Meeting in Jefferson City.
- Missouri Trucking Association Council of Safety Supervisors Meeting in Jefferson City.
- Third Party Examiner Training at the Safety Center in Warrensburg.
- Association of Ignition Interlock Program Administrators (AIIPA) Conference in St. Paul, Minnesota.
- School Bus Safety Task Force meeting in Columbia.
- Missouri Trucking Association Annual Convention in Branson.
- MoDOT Teen Program Assessment meeting in Columbia.
- Impaired Driving Summit in Columbia.

Representatives from the DLB were key presenters at the following conferences/meetings:

- Missouri Trucking Association Council of Safety Supervisors Meeting in Jefferson City.
- Missouri Trucking Association 2015 Safety & Maintenance Conference in Branson.
- Meeting with 12th Judicial Circuit Court Judge, DWI Court Judge, and Court Administrator in Warrenton to explain and clarify driver licensing laws. A representative from the General Counsel's Office was also present at this meeting.
- CIB Spring In-Service Meeting in Jefferson City to provide agent training on driver license security features.
- Missouri Association of Court Administrators (MACA) conference held at Tan-Tar-A at the Lake of the Ozarks.
- Missouri School Bus Contractors Association (MSBCA) Annual Convention in Branson.
- Missouri Association for Pupil Transportation Annual Conference and Trade Show in Springfield.
- Missouri School Bus Safety Task Force summer certification training session for school bus drivers in Warrensburg.
- MACA conference held in Kansas City.
- Project Homeless Connect event in Jefferson City. The DLB was able to assist 16 citizens in obtaining nondriver ID cards.
- Michael W. Prenger Family Center in Jefferson City at their Life Skills Training program.

A DLB staff member attended Project Management Professional (PMP) Training offered by The Mathis Group in St. Louis.

Five DLB staff members attended Agile Training offered by The Mathis Group in St. Louis.

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## **Motor Vehicle Bureau**

### **New Systems, Online Services, and System Updates**

#### **The Title and Registration Intranet Processing System (TRIPS) was updated as follows:**

- To allow a clerk to enter an override description when the sales price in TRIPS is different than the notice of sale amount when processing a change of ownership;
- To not allow a registration transaction to process when an administrative suspension is on the record;
- To fix the permanent trailer registrations and historic and year-of-manufacture registrations as these transactions were stalling on the finalize screen;

- To correct the registration fee and year sticker applied to a new registration for shuttle bus transactions;
- To add new plate types; and
- To include the biennial commercial motor vehicle (CMV) renewal process and to allow annual registrations to be renewed by July 1.

**The Online Personalized Plate Review System (OPPRS) was updated as follows:**

- To handle the use of apostrophes in all configurable possibilities;
- To only require the user to click the reserve button once instead of twice;
- To capture all required data for the reconciliation process;
- To fix the coding to the payment provider to eliminate an error message;
- To modify the notification letters to show reservation date instead of the plate order date;
- To clarify the opening paragraph on page one in regards to personalized specialty plates not being included in this online application;
- To allow users to enter the allowable number of characters in the last name fields for the applicant and vehicle owner;
- To add a new feature to resolve a missing plate issue by tracking system issues on the back end;
- To modify code to prevent inappropriate records from being stripped out of the duplicate search;
- To add code to store additional data so duplicate e-mails may be identified before sending to the customer a second time;
- To ensure the plate number is held to print on any briefs that may be necessary;
- To correct a site code in the drop-down box for O'Fallon;
- To ensure all customer letters print when applicable; and
- To address system timeout issues.

**Enhancements made to the Personalized Plate Review (PPR) Application include:**

- Adding a new link in the PPR e-mail notices taking users directly to the application; improving speed of application (drop-down boxes changed to search fields);
- Adding a new amateur radio plate configuration;
- Removing the blue footer from the application so that the system didn't block some portions of the screen;
- Removing duplicate e-mails sent to users; and
- Modifying code for the search criteria to ensure it pulled correct information.

**The Missouri Online Registration Exchange (MORE) was updated as follows:**

- To eliminate error codes when information passed to the client was larger than acceptable and when specific special characters were entered into the billing information field;
- To address issues with validating personal property tax and determining if one or two years is required;
- To enable Warren County to accept online renewals once again; and
- To not require an emissions inspection if the GRS System record shows the fuel type as electric.

**The Temporary Registration Permit Application (TRPA) was updated as follows:**

- To include formatting changes for motorcycle registration permits to alleviate character wrapping;
- To correct an issue with an invalid TRPA site address sent on e-mails to account holders;
- To ensure all videos and documents on the Help page were displaying;
- To only allow four characters for the year field on the Issue Permit page;
- To only allow a maximum of 17 alpha-numeric digits for the vehicle identification number (VIN) field on the Issue Permit page; and
- The TRPA-Admin application was changed so that the application now prompts the user to select an inquiry type; previously an unhandled expectation error message was produced if the user didn't click on the specific inquiry type.

**The Key Entry Design System (KEDS) was updated to:**

- Fix validation errors with the marine titles;
- Default to a 2018 expiration when entering a decal that starts with the alpha letter "A"; and
- Prompt the clerk to add the last two alpha characters of the MO# after entering the four numeric characters of the MO#.

**The Online Assessor/Collector System was updated as follows:**

- To correct an issue where some users were not getting their passwords e-mailed to them through the "Forgot Password" option;
- To display the total number of records returned;
- To replace the Title Number column with Salvage Brand information;
- To modify the layout of the search fields so they are in logical order; and
- To add a "Records As of Date" to the Motor Vehicle Records Search page.



***A change was made to the online Notice of Sale (NOS) System to notify dealers upon entry into the system of outstanding monthly sales reports that need to be filed.***

A change was made to the online Notice of Lien (NOL) System to fix a VIN edit problem. It addressed VIN issues with “Jeep Renegade Trailhawk” and the “Fiat 500X Easy Sport.”

A fix was deployed for enhanced security tabs to address tab reprints.

An enhancement was made to how the National Motor Vehicle Title Information System (NMVTIS) error briefs print. Previously briefs were re-kicking after three days when the first brief hadn't been worked. By changing this work flow, MVB is now able to guarantee that the oldest transactions are being worked before the newest ones.

Barcodes were added to the reject letters to reduce data entry and simplify retrieval of rejected applications.

**The following purges were completed and are now scheduled to run annually to free up database space:**

- The General Registration System (GRS) purge included title records with no activity for the last five years, history records with the exception of notice of sale (S) flagged records, and registration records with an expiration date over 13 months. A total of 2,415,542 records were purged as a result.
- GRS Error File Cleanup purge was performed focusing on data where the error file date was within 2007 and 2008 and either no activity was conducted or a newer vehicle record was found. A total of 26,921 records were purged as a result.
- MVB purged 395,977 disabled person placards.

## Forms, Procedures, and Efficiencies

***The Department began receiving paid personal property tax files electronically from the following counties: Monroe, Daviess, Barry, Ripley, Howell, Shannon, Warren and Wayne. Citizens from Warren County are also now eligible to renew their registrations electronically.***

Five new CTG letters (MVB666, MVB667, MVB668, MVB669, and MVB670) were created to help with efficiency in the phone area. These letters save data entry time for processors.

MVB revised and finalized 55 desktop procedures throughout the year.

An enhancement was made to the mainframe's VIN History Browse and VIN History Inquiry screens which changed the sorting and grouping of records. DVHF will

now sort records by VIN in ascending order (smallest to largest); group by make; sort by year, purchase date, and issue date in descending order (new to oldest).

Changes were made to the online Notice of Lien Application and Notice of Sale System to optimize database queries to reduce data center costs.

A new version of Document Control was deployed in the MVB. The new version includes a new report that identifies expired dealer bonds. The Dealer Section will use this report to manage dealer licensing requirements.

The MVB changed its process for mailing annual CDs to county assessors; the information is now provided to them via File Transfer Protocol (FTP). All required county annual reports were uploaded to FTP and e-mails sent notifying them how to access the information.

***MVB began sharing mail-in work with the license offices. This provides monetary benefits to the license offices that opt into the program, decreases turnaround time for Missouri citizens, and allows the Department to meet its statutory two-day deposit requirement.***

The online Assessor/Collector System's motor vehicle records refresh changed to monthly versus quarterly.

The Process Improvements Workgroup in MVB implemented their idea to add users to the SharePoint Alerts and Announcements page. This page is used to announce policy changes, special events, etc., to all MVB employees to help improve communication.

Subscriptions were obtained for electronic access to the Motor Vehicle Registration Manuals so the telephone information operators have access to information right from the desktop. These books are published by World Data Corporation and provide a description of the procedures and fees for titling and registering motor vehicles in all states.

The Motor Vehicle Imaging Area received three new replacement imaging machines.

Motor vehicle dealer refunds were turned over to the Division of Administration's Motor Vehicle Refund Section to provide consistency with processing refunds.

MVB worked with the Personnel Services Bureau (PSB) to develop a new training course for MVB employees: “Manufactured Home Titling: Affixation and Severance.”

***Web cameras were installed in the lobbies of the Motor Vehicle Bureau and the Driver License Bureau to improve customer service and security.***

**Outreach and Appointments**

On Jan. 15, 21, 22, 27, and 29, the MVB offered legislators, executive branch officials, and their staff the opportunity to renew their motor vehicle registrations or apply for their legislator license plates at the Capitol. Eighty-nine renewals were processed while this service was being provided, as well as 5 title transactions and 32 miscellaneous motor vehicle transactions. Fifty-eight customers just had general questions.

A representative from MVB attended the 2015 Missouri Chamber Conference on Innovations in Transportation in Jefferson City.

In March, two representatives from MVB attended the Southeast Missouri Regional Collectors meeting in Dexter, where they presented information on the Assessor/Collector System, the reporting of paid personal property tax information electronically, and the online registration renewal process. Handouts were provided on how to participate in the Personal Property Tax Receipt System and how to obtain access to the Assessor/Collector System.

Two representatives from MVB attended the Southeast Missouri Regional Collectors Conference in Jackson, in September. An overview presentation was given to the approximately 25 counties in attendance on the responsibilities and duties of the MVB, relationship via License Offices Bureau to license offices located throughout the state, and average number of vehicles titled and registered in the state. Training was provided on using the Assessor/Collector System and the benefits of providing paid personal property tax records to the Department electronically.

Two MVB representatives attended the 78th Annual Missouri Trucking Association Convention in Branson, Missouri.

Two MVB staff members attended Project Management Professional (PMP) Training offered by The Mathis Group in St. Louis.

Three MVB staff members attended Agile Training offered by The Mathis Group in St. Louis.

Met with county collectors and assessors in February and October to resolve issues of mutual concern and improve communication.

Meetings were held with the MSHP to discuss mutual motor vehicle and driver licensing issues.

**Legislation Implemented****House Bill 111**

Eliminated all tax on used manufactured homes.

**House Bill 403**

Eliminated the \$15 specialty plate fee for second or subsequent set of Purple Heart plates.

**House Bill 517**

Requires the Department to identify all monies received within two business days and immediately thereafter deposit such monies.

**House Bill 686**

Reaffirmed Missouri's position of honoring other states' junk designations; removed the requirement for motor vehicle dealers to report the sale of their temporary registration permits to the Department if the sale is already electronically recorded; and modified the notice of sale language to allow for electronic filing.

**House Bill 2141** (from the 2014 legislative session)

Excluded owners of natural gas vehicles from purchasing an alternative fuel decal since natural gas will be taxed at the fueling stations in a similar manner to gasoline, with one exception.

**Senate Bill 166**

Changed the "I Have A Dream" license plate to the "Dare to Dream" license plate and will be implemented as a new plate design when the design plate has been approved.

**Senate Bill 254**

Allows trailer and motorcycle license plates to be mounted horizontally or vertically on the left rear of the motor vehicle or trailer; amended the "Other authorized health care practitioner" to include physical therapists as having the authority to sign and certify that a person is disabled for the issuance of a disabled person license plate and disabled placard; changed the \$10 donation required for the "God Bless America" specialty plate to the World War I Memorial Trust Fund; and created a new military specialty plate for "Korea Defense Service Medal" recipients requiring a \$15 annual fee and military proof of eligibility.

**Senate Bill 456**

Allows an insurance company to use an electronically signed Power of Attorney in cases where an insurance company has paid or is paying a total loss claim for a vehicle or trailer; and modified the process for a motor vehicle dealer to buy or take a vehicle on a trade (used vehicle) and subsequently sell the vehicle without having obtained the title.

**Senate Bill 470** (from the 2012 legislative session)

Allows owners of commercial motor vehicles licensed 18,000 – 54,000 pounds the option of registering their plates biennially.

## Notable Accomplishments

Dealer renewal season was met with a minimal backlog of unprocessed dealer license applications through working overtime and pulling staff from other areas in the bureau to assist.

***The number of county assessors and collectors reporting paid personal property tax records to the Department electronically increased from 85 in 2014 to 92 during 2015.***

Developed and implemented efficiencies in processing transactions to reduce backlogs; thereby decreasing the number of incoming calls received from the public from 2014 to 2015 by 11 percent. Sending out bulk customer fliers, implementing the workshare project, and promoting title services work being processed at local DMV offices are just some of the steps taken that assisted in this endeavor.

Multiple integrated system prep teams were created within the MVDL Division to strategically plan for the new MVDL integrated system. Representation from all three bureaus, OA-ITSD, and Administration Division (where applicable) were included on each team. Teams formed include: Oversight; Fees, Taxes, Penalties, Interest, and Money Allocation; Cashiering/Distribution; Forms; Correspondence/Notices; Process Flows; Imaging/Record Retention; Conversion; System Validations, Controls, and Edits; Security; Reports; Customer Profile Entity; Electronic Services; Debt Offset; Inventory/Product Issuance; and Audit and Complaint Management. The first implementation in the Motor Vehicle Bureau is to begin transitioning the Salvage, Lease Rentals, and Title Service businesses from IMVDL to the new system (DMV Connect), which is planned for mid-January 2016.

## Compliance

TRIPS was updated as follows:

- The system started processing alternative fuel decals to facilitate changes with House Bill 2141 (from the 2014 legislative session); previously these decals were processed through miscellaneous accounting. The bureau mailed out 1,979 Special Fuel notices in December.
- The system now allows owners of commercial motor vehicles licensed 18,000 – 54,000 pounds the option of registering their plates biennially as required by Senate Bill 470 (from the 2012 legislative session).

## License Offices Bureau

### License Office Contracts

The License Offices Bureau (LOB) worked with OA to revise the Request for Proposal (RFP) for rebidding license offices to incorporate House Bill 137 changes; simplify the process for bidders and the Department; and include the evaluation criteria and corresponding point structure to provide full transparency. This improved RFP further simplified the exhibit format and clarified response selections to ensure bidders understood and provided complete responses which helped to expedite the bid evaluation process, as well as improve contract compliance enforcement and bidder accountability that will result in better service to Missourians. The enhanced RFP went into effect on Sept. 15.

### Contract Compliance

Conducted 43 follow-up reviews to audits completed by the Internal Audit and Compliance Unit to ensure the offices had corrected any deficiencies noted in the audit.

Completed seven desk audits on license offices with a high transaction error rate as identified in internal and state audit reports to ensure offices are using feedback to minimize repeat processing errors. Liquidated damages are assessed when applicable.

Continued to conduct reviews of transactions processed for license office employees to determine compliance of payment of sales tax and personal property tax.

Ensured all new license office employees viewed the Department's confidentiality video within ten calendar days of their employment date and submitted an acknowledgment form for compliance verification.

### Tax Enforcement, Collection, and Fraud Prevention

Continued to initiate programs to identify possible fraud and tax discrepancies.

***A total of 11,190 transactions were reviewed in 2015 for sales tax and title penalty fraud, resulting in 1,398 letters (includes first and second letters) issued in attempt to collect taxes and fraud penalties.***

Collections in 2015 were \$277,505. To date, the Transaction Review and Collections Team has collected \$1,622,784. Applicants who fail to comply are subject to recall of their title and suspension of their registration.

Worked with the Internal Audit and Compliance Unit to create and test a program in which automated e-mails would generate to specific dealers on a monthly basis when there are discrepancies between the net price provided by the customer at the time of titling compared to the Notice of Sale net price provided by the dealer. This project is currently in the expanded pilot phase.



Issued a communication in December 2015 to all dealers requesting their help and continued efforts to reduce sales tax fraud and informed them of the upcoming pilot program referenced above.

Continued to require license offices to use the established reporting system to alert other offices, the MVDL Division, and the Compliance and Investigation Bureau regarding transactions rejected by their offices that contained confirmed or suspected fraud to ensure other offices would also know not to process these transactions. In 2015, the Department received 1,457 total fraud alerts, of which 22 percent, or 315, dealt with sales tax fraud. During 2015, \$20,297 was identified in additional sales tax and title penalties due to fraud referred by the Delinquent Fees Section.

Issued 70 local tax assessments totaling almost \$15,000 due to a license office clerk assessing the incorrect local tax rate. The Department went over training procedures with the office and to date, over \$6,500 has been collected.

Worked with the Personnel Services Bureau (PSB) to update the "Reducing Vehicle Sales Tax Fraud" webinar and related documents to reflect current procedural requirements. This is a valuable tool for license offices to use and must be viewed by new employees who process motor vehicle transactions.

Issued and/or tracked 59 requests for investigation to the CIB and continued to assist them in identifying applicants and application presenters who assist in committing or commit fraud.

Worked with the Division of Taxation to identify almost 590 delinquent tax applicants out of over 700 (82 percent success rate). LOB submitted these records for debt offset; this should result in increased collections.

Compared TRIPS registration records processed during a one-month period in CY2015 when the license office operator indicated they witnessed an emissions inspection against the emissions inspection file we requested from the Department of Natural Resources showing all passed and failed inspections. Approximately 1,694 violations were identified, which was 2.8 percent of the transactions processed. License offices will be provided the number of violations and percentage of errors by clerk. Offices with a violation rate of 2 percent or more will be required to submit a detailed plan to ensure all staff complies with emissions procedures. The listing of all vehicle registrations incorrectly processed without an emissions inspection will be sent to the CIB and to the Department of Natural Resources for whatever action they deem appropriate. A follow-up compliance check will be completed in 2016 to measure any improvement in compliance rates.

## **Public Outreach**

A field coordinator participated in a resource fair at

a federal prison in Springfield, Missouri, to pass out information and answer questions regarding driver licensing and motor vehicle registration for the prison population, specifically inmates soon to be released.

Facilitated a visit for Johnson County, Kansas at the Parkville License Office for various members of Johnson County staff to learn more about the privatized license office model, specifically how the model is more, or less, efficient and effective than other DMV models.

Washington University in St. Louis, in collaboration with the Missouri Coalition for Roadway Safety, created Encounters training to assist license office personnel in recognizing medical impairments that may impact highway safety. It was strongly encouraged that all license office personnel view the modules provided.

A LOB staff member attended Project Management Professional (PMP) Training and Agile Training offered by The Mathis Group in St. Louis.

## **Staffing**

Initiated 798 background and tax checks for prospective employees in the license offices.

Provided additional training on 500 occasions in various license offices to clarify specific procedures or correct performance deficiencies.

Continued to allow field coordinators to periodically team up with a field coordinator from a different region to complete monthly reviews which enables them to learn from each other, develop efficiencies, and promote uniformity in completing license office monthly reviews and contract compliance checks. This process was also used to train three new field coordinators who replaced those who either retired or moved away.

Organized a two-day meeting for field coordinators to meet with the LOB, the MVB, and the DLB administrative staff to discuss new request for proposals (RFPs) requirements and other pertinent issues.

## **Process Improvement**

Obtained six Adobe Acrobat Pro licenses so staff can use the software to convert imaged documents and contracts into searchable images, which aids the bureau when doing research.

Implemented electronic receipt of all inventory invoices (except for personalized/specialty plates). Offices acknowledge receipt of the inventory and notate any discrepancies electronically as well. This eliminates paper invoices and faxed acknowledgments/communications.

Revised License Office Operation Change (Form 5253) to mirror the RFP requirements to include Other Supervisory Personnel. This provides LOB with the information required for tracking contract compliance of this new requirement.



Added a LOB TRIPS workstation to process payments received from fraud and additional tax collections instead of passing on to the Motor Vehicle Bureau to process. Payments are now processed and deposited much more timely.

Developed Request for Security Access Code (Form 5552) used solely for license offices. The new form reduces confusion for contractors in completing the form and ensures current license office contractors do not receive the new contractor's access code for obtaining records.

Provided iPhones and iPads to field coordinators to use in real time during office visits and various office-related contract compliance tasks instead of relying on faxing completed paperwork to the central office. Also working with OA-ITSD to develop an application specifically for LOB work.

Created Monthly Performance Review (Form 5537) for the offices' monthly performance review which allows LOB to expedite feedback to the offices regarding reoccurring issues in a timelier manner with less effort.

Worked with OA-ITSD to develop an electronic application for completing the Form 5537 to expedite completion of the forms and eliminate keying in the central office. The application is currently being tested.

Modified the online License Office Request Form to automatically notify the Department's designated Personnel employee regarding employee removals submitted by the Kansas City and Springfield license offices. Previously, LOB had to remember to manually forward each request to the Personnel contact when employees were removed from building access.

Created a listing of all offices in government buildings or other business locations with special RFP restrictions relating to office hours and the current geographic location as shown on Attachment 1 of the RFP to ensure these RFPs are correctly issued.

Added a license office "Personnel Requirements" document to the License Office Resources page on the Intranet to assist offices in knowing which forms to submit for which positions (contract manager, office manager, other supervisory, officers and clerks) to decrease the number of incorrect forms sent in and time spent back and forth to obtain the correct information from the offices. The document includes the links to each form listed for easy access.

Revised License Office Comment Card (Form 5272A) from 2-sided to 1-sided for cost savings of almost \$250 a year to the Department and as a convenience for offices that print the card themselves (e.g. on colored paper to differentiate between multiple offices a contractor may run).

Began imaging and uploading inventory reports to SharePoint which provides immediate access and search ability by key words. These documents were previously imaged by MVB staff in Oracle and could only be searched by document and the ability to view was delayed.

Added a Computer Security Tips document to the License Office Resources page for office use to promote safeguarding Missouri data and guard against computer viruses, etc.

***Conducted a license offices survey regarding the License Offices News publication. As a result, links to knowledge tests for the topics covered in the weekly newsletter are now provided in each edition to ensure license office staff understanding of the newsletter content.***

Implemented a process in which license offices will be notified by the Transaction Review and Collections Team when they find errors due to training issues during their transaction reviews. Hopefully, this feedback will result in better trained office clerks and more accurate transactions with lower error rates.

Updated outgoing e-mails sent with the 01 Monthly Inventory Reports to offices on the new contracts to state liquidated damages would be assessed if deadlines are not met. The number of late reports significantly decreased since adding the assessment language.

Implemented new procedures to assist license offices as they strive to improve their level of success in several areas. The Monthly Contract Compliance Log (Form 5515), a new multi-purpose tool, was created to help offices comply with these procedures and compile the required information all in one convenient form.

Developed Insurance Self-Certification for License Offices Contract (Form 5630) for offices to self-certify insurance required by the RFP, eliminating the need for LOB and the division attorney to review insurance declarations, etc., keeping the responsibility for compliance with the license office who must ensure they have the required coverage and maintain a copy of their insurance policies in the license office.

***Created the "Tip of the Week" for the license offices, which is posted on the License Office Resources page for easy reference.***

They are short but informative tidbits pertinent to operating an effective and efficient license office. They address everything from processing tips and reminders to customer concerns, contract issues, and other related topics.

Revised License Office Operation Change (Form 5253) to accommodate the RFP changes regarding license office location. Bidders are no longer required to submit location documents and photos with their bid and RFP evaluators no longer evaluate the location. The new RFP requires only the winning bidder to present location documents after award, which results in field coordinators only completing one location assessment per office, instead of one for each bidder. This streamlined process saves time for bidders, evaluators, and field coordinators.

Initiated a periodic random motor vehicle “desk audit” for contracts issued on or after Sept. 15, if the contractor proposed in their RFP that the contract or office manager will review all title transactions before submission to the central office. These desk audits assist in ensuring compliance and an acceptable error rate and assessing liquidated damages, when needed.

Revised the license office RFP to:

- Comply with House Bill 137 changes;
- Provide for electronic bid filing;
- Eliminate requirements to provide location documents and photos until after award;
- Remove requirement to hire clerks with license office experience;
- Require contractors to post a sign disclosing minimum hourly wage for clerks as proposed in the bid;
- Add a preference for contract management to review all title transactions prior to submission to the central office; and
- Require completion of Form 5630 regarding insurance compliance.

Added liquidated damages to Attachment 3 for the following to ensure better and more timely compliance:

- Clerks processing his or her own transaction,
- Offices that have a balance due to the state due to premature closing of their account;
- Late responses to LOB requests for information, documentation, or action; and
- Failure to submit the required insurance certification by the due date.

Added Attachment 8 to the new RFP to show the RFP Evaluation Summary and the corresponding point structure and explanation to provide transparency to bidders regarding how their proposals would be evaluated and scored.

Revised Exhibit A as follows to reduce opportunities for bidders to “game the system” and result in fewer compliance problems when replacement staff is needed:

- Reflect RFP changes noted above;
- Limit evaluation of the contract manager and office manager experience proposed to five years;
- Eliminate the “less than part time” category of personnel for evaluation purposes; and
- Require the minimum hourly wage be disclosed for clerical positions.

Modified Exhibit B to:

- Provide that any “Other” responses must benefit the majority of customers;
- Eliminate non-relevant questions;
- Clarify numerous questions and response selections to eliminate any ambiguity and assist with enforcing contract compliance;

- Expand customer service initiatives for customers who have a disability or are elderly and require these initiatives to be posted;
- Revamp “Other Services and Initiatives” with new options and require these to be related to transaction processing;
- Add an option for contract and office management to review all title transactions to ensure accuracy prior to submission to the Department; and
- Expand economic impact to include equipment and a preference for employing only Missouri residents.

Updated Exhibit C to accommodate the provisions of House Bill 137.

Created the Non Action Organization Certification (Form 5638) for qualified bidders to complete in accordance with House Bill 137 so LOB and OA could ensure the bidder was not a civic organization that would be considered an action organization which would not be eligible for the 14-point preference as an IRS Tax Exempt Entity.

Created a clear account to be able to search for and identify Social Security Numbers on applicants for debt offset purposes when SSNs are missing. This will save time in the future in that LOB will not have to request the information from Tax and will enhance debt offset collections.

Obtained access for specified LOB staff members to access all LOB OA-ITSD tickets. Each LOB staff member only had access to OA-ITSD tickets that he or she initiated. This has greatly improved communication and ticket discussions with OA-ITSD, especially if the requester is out of the office.

Updated license office RFP evaluation instructions and RFP Checklist in response to the new RFP revisions and adjusted the evaluation point structure to be less confusing and more uniform.

Modified the process to e-mail the Inventory Credit Receipt (Form 984) to contractors instead of mailing forms back to the offices once a month. The Department sees a cost savings of almost \$565 per year by making this electronic change and it provides the offices more time to update their inventory books.

Updated the implementation checklists sent to new and incumbent contractors (Forms 5241 and 5242 respectively) to comply with all of the changes in the new RFP.

Tracked the annual completion of the license office Driver’s Privacy Protection Act (DPPA) recertification through submission of the License Office Request for Security Access Code (Form 5552), to ensure MVB received a timely response from all license offices. Created an “Items Counted and Not Counted” document to streamline RFP evaluation. The document tracks the “Other” responses provided by bidders and whether they were counted or not counted, allowing evaluation teams to consistently evaluate similar bid responses.

Updated the Monthly License Office Review (Form 5193) to include verification that the license offices document security alarm and camera system testing, action items from the previous monthly review, and review of transactions for possible fraud on Form 5515. Form 5193 can now be submitted electronically.

The License Office Security Certification (Form 6001) and the Technology Requirements (Form 5543) were modified to reflect changes and meet requirements to coincide with updated RFP requirements.

Developed a new process after receiving repeated complaints regarding a certain license office employee. LOB requested OA-ITSD produce a file of TRIPS transactions processed by the employee and sent several of the applicants Customer Survey cards to rate the level of customer service provided by the employee to determine if additional action was needed against the office to remedy the situation. The process will be used in similar situations in the future as needed.

Worked with OA-ITSD to create a report regarding license office emissions compliance that would provide results similar to what LOB previously compiled each year after numerous hours of manual data manipulation. This report should eliminate approximately 40 hours of manual effort each year.

Developed a report of License Office News articles by month that need to be repeated each year due to seasonal or regularly scheduled issues to ensure timely communication to license offices.

Created a new process for field coordinators to account for personalized and specialty plates with a reservation date over 12 months. Plates are invalidated and boxed with other credited or surrendered plates that are returned to Missouri Vocational Enterprises. The prior process required the field coordinator to return the plates to license distribution.

### **Organ Donor Registration**

The number of Organ Donor Registry enrollments during a driver license, nondriver license, or permit transaction in FY2015 increased by 14 percent compared to FY2014. This could be attributed to the changes made to the organ donor registry and symbol question implemented in May 2014.

***As of Dec. 26, 99.4 percent of all Missouri organ donor registration enrollments were completed through local license offices. Only .6 percent were registered through paper or online enrollment.***

# Legal Services Division



**Wood Miller**

## Legal Services Division

The Legal Services Division strives to preserve and inspire taxpayer confidence by providing timely, expert legal analysis to the Department, the administration, and the taxpayers, and by encouraging voluntary compliance with revenue laws and regulations through litigation, investigation, and cooperation with law enforcement, while providing an environment where interaction and innovation are fostered.

## General Counsel's Office

The General Counsel's Office is responsible for providing legal counsel and representation to the Director and divisions.

## Compliance and Investigation Bureau

The Compliance and Investigation Bureau (CIB) develops information, investigates, and works with law enforcement agencies to assist in the discovery and prosecution of individuals and businesses suspected of violating the laws administered by the Department.

## Criminal Tax Investigation Bureau

The Criminal Tax Investigation Bureau (CTIB) conducts complex financial investigations into alleged criminal conduct and proactively fosters relationships with local, state, and federal law enforcement agencies that lead to cooperative endeavors and information sharing.

## Legal Services Division CY2015 Statistics

Admin. Alcohol Hearings ..... 6,339

### Blood Alcohol Content Cases:

Won ..... 658

Lost ..... 314

### Limited Driving Privilege Cases:

Won ..... 1,108

Lost ..... 5

### Department Refusal Cases:

Won ..... 378

Lost ..... 50

### Local Prosecutor Refusal Cases:

Won ..... 1,475

Lost ..... 2,023

Total Income Tax Cases Opened..... 155

Total Sales Tax Cases Opened..... 1,193

Total Bankruptcy Cases Opened..... 4,295

Bankruptcy Collections..... \$5,155,536.60

### Open Criminal Investigation Cases:

Tax ..... 373

Dealers ..... 588

MVDL ..... 525



**The Bankruptcy Unit**

This unit processed more than 50,000 bankruptcy notices and provided representation in more than 10,000 legal proceedings. The staff continued to maintain a high degree of accuracy in the processing of approximately 5,000 claims. The unit is at full staff.

**Income Tax Unit**

The Income Tax Unit represents the Department in disputes involving individual income, withholding, corporate income, corporation franchise, and financial institution franchise taxes. It represents the Department in the de novo appeals to the Administrative Hearing Commission. It also represents the Department in investigations during the protest procedures in corporate income tax disputes.

**Sales and Use Tax Unit**

The Sales and Use Tax Unit represents the Department in disputes involving sales and use, motor fuel, and tobacco taxes. It represents the Department in the de novo appeals to the Administrative Hearing Commission.

**Transportation Unit**

The Transportation Unit represents the Department in all 114 counties in cases dealing with driver licensing issues, including commercial driving, license suspensions, revocations, denials, or disqualifications. The unit also conducts administrative alcohol hearings, including trial de novo appeals, five and ten-year denials, and limited driving privilege reinstatements. An additional process includes the review of court-order limited driving privileges for compliance with ignition interlock device and financial responsibility requirements.

**Criminal Tax Investigation Bureau**

The bureau investigates potential criminal violations of Missouri's tax laws. It investigates the crimes of failure to file a return, failure to pay tax, and filing a fraudulent return. These crimes are applicable to cases involving state sales, income, and withholding taxes.

Protecting the integrity of Missouri's self reporting tax system is the ultimate goal. When businesses and individuals intentionally

decide not to comply with the law, they risk the possibility of criminal investigation that can result in prosecution and even prison time. Knowing the possible consequences provides the necessary deterrent effect to increase voluntary compliance.

Special Agents assigned to the bureau are extensively trained to conduct complex financial crime investigations. Most of the Special Agents in the bureau are Certified Fraud Examiners. Schemes to defraud the state of Missouri are becoming increasingly sophisticated as technology advances. Combating these schemes requires the Special Agents to have the analytical ability to process an enormous amount of digital and paper evidence that is unique to financial investigations.

**Compliance and Investigation Bureau**

The CIB investigates motor vehicle violations including motor vehicle sales tax fraud, motor vehicle titling and registration fraud, license plate fraud (including tabs and temporary tags), and odometer fraud; it is also responsible for ensuring compliance and investigating administrative and criminal violation allegations in regards to motor vehicle dealers, salvage dealers, and marine dealers.

The bureau completed motor vehicle/dealer cases; investigated driver license fraud cases including submission of a false statement to the Department, forgery, and identity theft. The CIB completed driver license cases. The bureau ensures compliance with Missouri tobacco tax laws through investigations and compliance checks of businesses selling tobacco products. The bureau investigates allegations of misuse of off-road diesel.

The bureau is responsible for conducting internal investigations regarding Department employees and license office investigations. It also spends numerous hours each month in license offices engaged in fraud prevention activities.

The bureau serves as a liaison to local, state, and federal law enforcement agencies to assist with Department-related investigations.

*The bureau provides approved Peace Officer Standards and Training to other agencies.*

# Administration Division



**Lynn Bexten**

## Administration Division

The Administration Division provides professional, innovative, and efficient personnel, financial, and general services support that allows the Department's divisions to carry out their co-responsibilities, including safeguard of assets, disseminate information, and apply efficient personnel practices.

### Financial and General Services Bureau

The Financial and General Services Bureau (FGSB) provides fiscal services to the Department and other governmental agencies in the area of finance, accounting, depositing and cashing of state and non-state revenues, and investing and collateralizing non-state revenue collections. This bureau also provides support in the areas of procurement, child support contract oversight, mail processing, archiving, stores, vehicle pool maintenance, delivery services, and facility leasing.

### Personnel Services Bureau

The Personnel Services Bureau (PSB) is in charge of personnel issues, training, compliance with state and federal employment laws, and the Department's affirmative action and diversity programs.

The Communications and Training section within this bureau works with all of the Department's divisions to update the Department's Internet and Intranet websites, train Department personnel to be more efficient, and update Department forms to be more customer-friendly and effective.

## Administration Division CY2015 Statistics

### Workforce Analysis

Total Number of Employees .....	1,068
Females (76%) .....	811
Males (24%) .....	257

### Employees by Ethnicity

White (91%) .....	975
Black/African American (5%) .....	54
Other (4%) .....	39

### Employees by Age

18-24 (9%) .....	97
25-29 (16%) .....	176
30-39 (22%) .....	231
40-49 (23%) .....	241
50-59 (23%) .....	242
60 or more (7%) .....	81

### Employees by Length of Service:

Less than 1 (16%) .....	172
1-4 (27%) .....	285
5-9 (15%) .....	165
10-14 (10%) .....	104
15-19 (12%) .....	127
20-29 (15%) .....	155
30-46 (5%) .....	60

### Employees Eligible for Retirement

as of Jan. 1, 2016 (13%) .....	137
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### Function

### Volume

#### Forms:

Modified .....	1,744
New Development .....	98
Printing Orders Processed .....	310
Reviewed and Posted for Vendors .....	841
Posted to SharePoint/Internet .....	1,528

#### Training:

Classes Conducted .....	331
Participants Attending .....	1,677

#### Procedures:

Updated or Developed .....	554
Posted to SharePoint/Intranet .....	98

## Financial and General Services Bureau

The Department's budget for FY2017 and the FY2016 supplemental budget was prepared and submitted, as requested, by the statutory deadline. The budget book includes Department information, core and new decision item requests, including refund and distribution appropriation requests, tax credit summaries, fund information, and project costs.

Preparations began for imaging business tax paper files stored at the Distribution Center on Scruggs Station Road in FY2014. Bureaus will no longer have to route paper documents off-site for storage or wait for file pull requests. The documents will be readily available through Oracle. Reduction of the paper files has resulted in the elimination of one full-time equivalent (FTE) and will ultimately result in additional FTE savings and a reduction in leased space. Approximately 2,440 boxes of business tax records have been imaged through 2015 and 150 shelving units have been eliminated. The imaging project will continue through 2016 and into 2017.

A total of eight local political subdivision audits were completed to ensure political subdivisions receive their proper share of local taxes. The audits resulted in the Department assessing taxpayers \$26,744.75 and issuing \$1,046.12 in refunds because of the incorrect local tax charged to the taxpayer.

The FY2014 Financial and Statistical Report was compiled and published.

The Internal Control Plan was compiled and submitted to OA Division of Accounting.

Development, testing, and implementation enhancements to the Department of Revenue Records Archive System (DORRAS) program were introduced, in conjunction with efforts from OA-ITSD. The DORRAS program tracks receipt of archive boxes, assigns a warehouse location, tracks boxes that have been pulled, and identifies boxes that are ready for destruction. The previous version of the DORRAS program had been in place since 2004 and needed numerous enhancements to resolve outstanding problems as well as other issues that came up since the Windows 7 upgrade.

Development, testing, and implementation of additional security enhancements were also introduced to the DORRAS program.

A credit card refund process was set up through the Motor Vehicle refund tracking system

resulting in electronic calculations and less manual processing.

The bureau modified the Motor Vehicle refund process to allow staff to communicate with customers via e-mail to request missing information and speed up the transaction. The e-mail process has cut down on processing time for refund requests.

Prosecuting Attorney (PA) offices and collection agency offices requested access to the Department's Computer Assisted Collections System (CACS) to assist them with collections. The Department pays for one Virtual Desktop Infrastructure (VDI) access per entity per month. If these entities want additional access, they must pay. The accounting section took over the process of billing the PAs and collection offices using our accounting software to generate invoices and document collections.

### The Distribution Center

In conjunction with efforts by OA-ITSD, all motor vehicle inventory orders and transfer invoices are now sent to MOBIUS which: 1) eliminated the printing of the License Material Invoice (Form 2607) on a two-part carbon invoice via a dot matrix and State Data Center (SDC) impact printer; and 2) enabled the Distribution Center to e-mail the invoice to the offices instead of mailing them via USPS.

The Distribution Center worked with OA-ITSD to have the License Material/Category Listing (DM53410) sent to MOBIUS on a quarterly basis which enabled the Distribution Center to review this listing electronically instead of storing paper listings.

### Mail Service Center

All automated Department mailings were programmed, along with efforts from OA-ITSD, to meet the Full Service IMB requirement. Although programming was in place, the Department still worked diligently to get software issues resolved. Once the necessary software has been purchased, tested, and moved into production, the Department will save .003 cents per mail piece by using the Full Service IMB.

Effective Jan. 25, the U.S. Postal Service required a new Intelligent Mail Package Bar code (IMpb) on certified mailings. The Mail Service Center worked with OA-ITSD to test and implement the programming changes. Ensuring the Department's outgoing mail continues to be compliant with new postal regulations is critical to the Department's operations.



***The Department generates approximately 540,000 pieces of certified mail each year, the majority of which are statutorily required.***

A new high volume inserting and mailing machine was purchased to replace two older inserting and mailing machines that were purchased in 1996 and 2000. The production efficiency and versatility of the new equipment enables the Department to process various types of mailings (including titles, refund checks, and notices) with one fewer machine. Reducing the overall number of inserting/ mailing machines saves the Department approximately \$26,200 per year in maintenance for the life of the new inserter.

Worked with the OA-ITSD, the OA Division of Accounting, the State Treasurer's Office (STO), and the State Data Center (SDC) to change the Department's check stock. As SDC and the Department evaluated the need to replace aging equipment, it was determined the current check stock, with the side stub, was not considered industry standard. The check contract was up for rebid in November 2014 and OA Division of Accounting agreed to change the Department's check stock to the top/bottom style. The new check stock allows the taxpayer mailing address to be placed on the stub so the front of the check is no longer visible, which resulted in a confidentiality improvement.

## **Personnel Services Bureau (PSB)**

### **Personnel**

Personnel began using the statewide MO Careers job opportunity website, to ensure all state employment positions are listed in one location. The website allows Departments easy entry of vacant positions and a single location for applicants to view statewide vacancies.

The performance appraisal form was updated to allow for the exporting of data each year. This allows the appraisal data to be easily exported and sent to the OA for inclusion in the statewide PERforM data.

A new leave event code was created in LeaveTrack to assist in FMLA reporting. The event code is used when an employee is on an extended leave of absence for FMLA. Previously the number of hours an employee was on FMLA extended leave had to be manually calculated to determine the number of hours remaining in the employee's 480-hour entitlement. Now the new FMLA code is easily captured in LeaveTrack's FMLA reporting.

Personnel worked with OA-ITSD to monitor compliance for monthly cyber security training sessions. Because the courses are monthly and new employees are asked to take previous sessions, PSB no longer includes a cyber security video in new employee orientation, which saves time, but also allows the employee to watch the videos when convenient for them.

Personnel worked with MVDL to start sending Titling Tips notifications to lienholders and dealerships through

GovDelivery. This alleviated the need for a Titling Tips newsletter to go out throughout the year. Information can be sent real time, instead of after publication delays of a newsletter.

A new process was created for OA-ITSD to give us the new hire DU#s for entry into SAM II. Once PSB entered the DU#s in SAM II, it was no longer necessary to monitor for position changes or exceptions that allowed employees to keep their DU# when transferring. PSB no longer had to update a DU# tracking spreadsheet as employees change positions or separate employment. This change created more efficient reporting and less manual entry and tracking.

The Workforce Diversity Plan for Minorities and Women was completed and created a summary document that was posted on SharePoint for administrators and division directors.

A total of 149 temporary employees were interviewed, hired, and received new employee orientation training from Personnel staff, from January through April, assisted Personal Tax with individual income tax and property tax credit data processing.

The Human Relations Officer successfully interviewed, hired, and conducted orientation for 15 temporary employees in August and September to assist Taxation with amnesty data processing.

Staff participated on a committee that worked with the Office of Administration-Personnel to review and revise the accounting series specifications.

Staff participated on a commissioner-directed, statewide recruitment and retention committee and the total compensation sub-committee to develop recommendations to better state employee benefits and compensation.

A Department focus group was also coordinated to discuss recruitment and retention of state employees and shared gathered information with statewide committee.

Coordinated with MO Deferred Compensation program to offer new Pocket Change seminars to employees.

This year, approximately 1,808 Employee Status Maintenance (ESMT) transactions were completed in the SAM II HR payroll system to perform personnel actions such as, appointments, salary changes, transfers, separations, promotions, reclassifications, and leaves of absence. Approximately 1,120 time and leave corrections or payoffs were processed. In addition, approximately 4,943 miscellaneous transactions were completed to make changes to employee addresses, taxes, emergency contacts, personal attributes, names, benefits service dates, and work assignment attributes. Lastly, approximately 3,092 position change and reporting to assignment transactions were requested of the Office of Administration or completed by the Personnel Services Bureau. A total of 10,963 transactions were completed.

***PSB worked with OA-ITSD to monitor compliance for monthly cyber security training sessions.***

## Communications and Training

### Public Outreach

The Public Outreach Group assisted with in-person meetings at locations throughout the state in coordination with Volunteer Income Tax Assistance (VITA) and offered resources for tax assistance. Information was also placed on the web and videos were created on this topic.

An audio version of the Motorcycle Operator Manual (Form 2332) was created and made accessible on the Department's website for the first time.

***The Public Outreach Group worked to develop education videos regarding Department practices. To date, these video projects have received over 11,000 views.***

Efforts were made to fix invalid and broken links on the website, forms, and procedures as a result of the statute website changes that were made.

This group, the Forms Group, and OA-ITSD worked together and added a "middle name" field that helps narrow search results during inquiries. This addition resulted in time savings for staff as they try to identify the appropriate driving record and minimizes follow-up questions to the driver.

### Training

The Training Group assisted with developing a new audit review process that helps minimize mistakes made when completed audit findings are sent for processing and review.

Target training videos were developed with regard to motor vehicle transactions to minimize errors in license offices with regard to mileage requirements, ID/OD verification, and other common errors. The video topics cover ID/OD Verification, Mileage Requirements, and Common Errors. These will be posted in 2016.

This group began offering mock-interviews to Department employees as requested by the employee or at the recommendation of their supervisor, to better prepare employees for the interview process. In addition to conducting the interviews, the Training Group also reviews employee résumés and offers suggestions for improvement.

Efforts were made to work with the CATA management staff to offer resources/guidance/tools to provide more effective interviewing processes and recruitment ideas.

The training staff worked closely with the General Counsel's Office to develop a procedure that outlines the process and expectation with regard to the role of a Custodian of Records for the Department. The Training Group also worked with the Forms Group to develop a new Custodian of Records document.

### Forms

The forms staff worked to create calculating Excel files for the Business Tax Bureau's domestic utility refund process that allows them to provide the files directly to the customers so they can accurately calculate their refund amounts which results in significantly reduced error rates and streamlined the process.

In conjunction with Taxation's Electronic Filing Group, the Forms Group worked to develop a voucher that would assist software vendors to ensure they passed the remittance processor system prior to developing the vouchers for their clients. This resulted in improved read rates for the vouchers submitted by software vendors.

The forms supervisor conducted a presentation to staff from the Department of Social Services to explain the process currently used by the Department to route forms for review and approval.

The Department's Year-End Report was developed and published by this group.

In conjunction with other Administration Division staff, this group revised the Department Continuity of Operations (COOP) Manual which provides guidance for handling operations in the event of a disaster that otherwise may render an office non-functional.

This group designed a flowchart outlining the Bill Review and Legal Analysis Process for when a bill has been Truly Agreed to and Finally Passed (TAFP).

***The Forms Group was able to make 16 forms obsolete for a cost savings of \$1,642.50.***

A new pamphlet - Buying a Vehicle - was developed by the Forms Group to assist would-be car owners with better understanding the process. The Public Outreach Group also worked to make this information available on the Department's website.

The forms staff performed a cost savings analysis on the printing of the individual income tax books from prior years in comparison to usage and discovered cost savings could be achieved by adjusting print volumes. This reduction resulted in a print savings of \$4,029.27.

The forms staff redesigned the Department's logo that is featured on the newly updated website.

The forms staff designed t-shirts for wellness initiatives.

All color was removed from the income tax book artwork files prior to sending them to the State Printing Center. This eliminated the previous requirement to produce an alternative, non-color version of the forms for posting to our website.

In conjunction with OA-ITSD, this group tested a new forms posting application (**[forms.mo.gov](https://forms.mo.gov)**) that will replace the current process (myOA) to post forms in real time to the public website. While the application was not live yet, a significant amount of testing was completed.

This group reviewed 841 Taxation Division forms reproduced by software vendors to ensure the data recognition fields matched the Department's version of the form and that all forms were compatible for use in the new integrated system.

The Forms Group modified the layouts of eight forms (reduced page numbers) which resulted in a cost savings of \$362.34.

# OA-ITSD



**Damon Rhodes**

**The Office of Administration - Information Technology Services Division (OA-ITSD)** uses technology to enable the Department to become more efficient and effective by providing solutions and services to empower our customers to achieve their business goals through innovative technology in a responsive, transparent, and cost-effective manner.

This division also manages all computer systems within the Department; performs technical analysis, design, and development; implements the Department's data processing systems; provides system support, production control, technical training, and database administration; supports the infrastructure for the 177 license offices throughout the state; and works with Department personnel to ensure website information is current.

## **OA-ITSD-DOR Systems**

This division maintains approximately 150 applications in its application portfolio. Below are descriptions of the Department's most critical systems.

### **Corporate Income Tax Systems (COINS) BAMS, CAFE, and Corporate MeFile**

The COINS processes all corporate income and franchise tax returns for the Department. This system accepts data received electronically from various sources, performs audit checks, and alerts Department staff of errors encountered.

### **Computer Assisted Collections System (CACS)**

The CACS is a Delinquent Revenue Collection System that centralizes delinquent revenue collection functions for all major taxes, including sales, use, corporate, individual, and withholding.

### **Driver Licensing Systems (MODL, MEDL, and associated AAMVA systems)**

The Missouri Driver License System (MODL) is the central driver license recordkeeping system that contains license issuance, withdrawal, convictions, suspensions, revocations, disqualifications, reinstatements, and driver status information. The system maintains over 6.1 million driver and nondriver license records.

### **Individual Income Tax Systems (MINITS, SpeedUp, Field 1040, and Individual MeFile)**

The Missouri Individual Income Tax System (MINITS) processes all individual income tax and property tax credit returns. There were more than 3.1 million returns processed through this system during the this year.

### **Motor Vehicle Systems (GRS, Marine, Titles, and TRIPS.)**

The General Registration System (GRS) maintains the current ownership and titling of vehicles and provides current and historical information on motor vehicle registration. The Marine system maintains the titling and registration of marine and watercraft vehicles and titles boats and motors by generating and distributing legal certificates of ownership. There are more than 11 million records in the GRS.

### **Sales and Use Tax System (MITS, MOST, and BusEfile)**

The MITS is the registration system for corporations, employers, and businesses required to file sales or use tax.

### **Tax Compliance System (TCS)**

The TCS includes an Enterprise Data Warehouse (EDW), Case Audit Management System (CAMS), and WebFocus reporting. The system is used by auditors to manage cases. It is also used extensively for non-compliance identification and resolution.

### **Withholding Tax System (WITHTX)**

The WITHTX processes all Missouri withholding tax returns. This system also interacts with the state accounting system to issue refunds on tax over-payments. This system processed more than one million returns in the past year.



## Tax Systems Modernization – Integrated Revenue System

Originally planned to be a five-year \$73 million project that began in 2012 and will replace 60 legacy tax systems with a modern integrated system, this project was extended due to the passage of amnesty legislation which consumed the majority of Department business resources. The project is currently 54 percent complete and consists of three major phases. The first phase was released in February 2014 and contained the breadth of the new system for the single tax type of tire and battery fees.

The second release (Fall 2016) implements the remaining business tax types of sales/use, corporate income and franchise, and withholding. The third release (Fall 2017) will implement individual income tax. A taxpayer portal was released in February 2016 with additional functionality incorporated during the second and third releases of the main system.

The first portal release included the following functionalities: registration for access to the portal, file a Tire and Lead-Acid Battery Fee Return (Form 5068), make a payment, limited Customer Service Representative (CSR) functionality, and help documents. The project is paid via enhanced collection of delinquent tax revenues from sophisticated data analytics (already totaling over \$258 million). When all phases are complete, benefits include reduced operating costs, increased productivity, fewer FTE, less paper and mailing, improved compliance, single view of constituent, improved analytics, improved customer self-service, and reduced processing time.

## Dealer Replacement (DMV Connect)

The MVB, Product Issuance, Central Branch staff utilize the Integrated Motor Vehicle Driver License (IMVDL) system to process and issue dealer business licenses, permits, plates, placards, etc. Since the inception of IMVDL in 2009, users have noted various problems with the system. Some design flaws and limitations were identified during the first year of implementation. As a result, the team has dedicated numerous hours to create workarounds, business requirements documentation, and stopgap measures in order to accommodate the pitfalls of the system.

The MVB expressed concern over the system frequently and believes IMVDL has reached a critical point in the system's lifecycle. Due to the critical nature of the processing and

the current environment of the system, the Department, the MVDL, and MVB began a project to develop a new system in 2015. The system will incorporate the specific business requirements for the MVB Product Issuance and the Department's vision of an integrated system now known as DMV Connect. The system will contain the flexibility to expand and incorporate the Department's long-term goal of system integration. It will also serve the specific needs for MVB and provide dealers with licenses, permits, placards, temporary permits, compliance maintenance, product issuance, and record searches. The system shall include workflows, processing, and reporting needs.

Phase 1 supporting salvage, lease, rental, and title services business licensing were planned for deployment in January 2016. Upcoming releases will include a public portal and processes that support dealer licensing.

## MVDL Data Warehouse

A feasibility study was performed in 2015 that resulted in a proposal for the creation of an MVDL Teradata data warehouse. The Department approved commencement of this project in late 2015. The project to create the MVDL data warehouse has begun and will be delivered in 2016 with the aid of the Where-Scape data analysis and migration tool. The data warehouse will streamline reporting and enhance analysis through the use of the Tableau business analysis tool.

## Alternative Fuel Decal (House Bill 2141)

House Bill 2141 was signed into law July 7, 2014, and removed some special fuel decal owners from the requirements of purchasing an alternative fuel decal. Section 142.869, RSMo, added a new subsection 3 that allows those owners/operators of passenger motor vehicles, buses, or commercial motor vehicles that are registered in Missouri, powered by compressed natural gas (CNG) or liquefied natural gas (LNG), and who have installed a fueling station as of Dec. 31, to continue to apply for and use the alternative fuel decal in lieu of paying the tax identified in Section 142.803, RSMo.

The Motor Vehicle Bureau provided users an application process for processing alternative fuel decals. In-lieu of processing the transaction through miscellaneous accounting, TRIPS facilitates the sale of an



alternative fuel decal through TRIPS processing.

The project included:

1) Processing an alternative fuel decal application through TRIPS processing; and 2) TRIPS housing the data for possible extract at a later requirement.

### **Failure to Appear in Court for Traffic Violations (FACT) Changes**

These changes allow for an import of a file to update the compliance indicators on FACT actions (FA02) by ORI# in the action, add a document library note with an image number and specific message provided by DLB, and evaluate the record to determine if a reinstatement notice will generate and if not, generate a generic letter. Name, most current address, and license number are pulled into the letter.

### **90-Day Temporary Permits (House Bill 456)**

Section 301.140 of Senate Committee Substitutes (SCS) for House Bill 456 (pg. 1) allows dealers who hold a \$100,000 bond to issue a 90-day temporary tag to the customer to allow more time during processing of the title. This impacts MVB because the TRPA system currently only accommodates 30-day temp tags. The system was modified to allow the option of either a 30-day or 90-day temporary tag. It is possible to identify a dealer obtaining \$100,000 bond in the IMVDL system. Therefore, IMVDL determines if a dealer has a valid/non-expired \$100,000 bond or \$25,000 bond.

### **CDL Permit Rule (House Bill 103)**

This project was completed on June 28, and focused on changes to the MAI, CDIS, MODL, and MEDL-CI systems to ensure CDL program compliance with Federal Commercial Driver License regulations in accordance with the AAAMA CDLIS System Specifications (Release 5.3.2.1 August 2013) and AAMVA State Procedures Manual (Release 5.3.2.1 August 2013). It included:

- Implementation of new standardized CDL restriction codes and process for conversion of those letter codes currently being used to define other restriction categories in Missouri;
- CDL disqualification routines; and
- Commercial license and permit changes related to issuance and format of documents.

### **Tax Amnesty**

The 2015 legislative session passed House Bill 384. This bill includes provisions for an offer of amnesty from the assessment or payment of all penalties, additions to tax, and interest with respect to unpaid taxes or taxes due on or before Dec. 31, 2014, under RSMo Chapters 143, 144 and 147.

The OA-ITSD worked closely with the Department to implement a process that met the requirements of House Bill 384 as they relate to tax amnesty. The project included the following OA-ITSD systems: MINITS, MITS, COINS, and WHTTX. Amnesty letters were mailed to eligible Missouri taxpayers, and system modifications were made to ensure that amnesty payments can be processed and tracked correctly.

### **Security – 2-Factor Authentications**

Two-factor authentication for all virtual private network (VPN) users was implemented. Each user was provided a token that periodically changes secondary numerical password sequence. The user must look at their token and key the sequence in addition to their regular password when accessing their computer outside the state network.



# 2015 Year in Review

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## January

### January 1

Gov. Jay Nixon approved a 1 percent general structure adjustment for all benefit-eligible employees.

### January 5

Dr. Kathleen Boland's appointment to the Medical/Vision Advisory Board was extended for another four-year term.

### January 5

The Department hosted free forums in Joplin, Springfield, Kansas City, and St. Louis providing Missourians with disabilities, the elderly, and low-income citizens with information on free tax assistance that may be available to them.

### January 7

Gov. Jay Nixon hosts a Prayer Breakfast.

### January 11

Modifications were made to the Title and Registration Intranet Processing System (TRIPS) deployment.

### January 12

Cindy Doss attended the Joplin Public Tax Forum along with Marie Dame from the Joplin Volunteer Income Tax Assistance (VITA) program and assisted taxpayers on how to obtain tax preparation services from VITA or the American Association of Retired Persons (AARP) and what online services the Department offers.

### January 13

The Marble Hill License Office request for proposal (RFP) was issued.

### January 13

Cindy Doss attended the Springfield Public Tax Forum along with Nellie Lamers from Missouri MoTax Initiative VITA program and assisted taxpayers on how to obtain tax preparation services from VITA or AARP and what online services the Department offers.

### January 13

The Piedmont-Greenville License Office RFP was issued.

### January 13

A contract for a second Columbia License Office RFP was issued.

### January 15

Modifications to Online Personalized Plate Review System (OPPRS) and Missouri Online Registration Exchange (MORE) deployments.

### January 15

Volume 4, Edition 1, of the Department's Tax Bulletin was published. The bulletin discussed electronic filing, the Department's available online services, 2014 tax season changes, and the home energy audit expense tax deduction.

### January 15

A Driver License Bureau (DLB) staff member was a presenter at the Missouri Trucking Association's Council of Safety Supervisors Meeting.

### January 15, 21, 22, 27, and 29

The Motor Vehicle Bureau (MVB) offered legislators, executive branch officials, and their staff the opportunity to renew their motor vehicle registrations or apply for their legislator license plates at the Capitol. While this service was being provided, department staff answered 58 general questions, processed five title transactions, 89 renewals, and 32 motor vehicle transactions.

### January 16

The Gallatin License Office contract was awarded to Heather LaRue Duvall in Milan.

### January 17

Cindy Doss delivered a 2014 Legislation and Tax Filing update presentation for the Missouri Society of Enrolled Agents in Sikeston.

### January 20

Modifications to KEDS deployment.

### January 21

Web cameras installed in the lobbies of the MVB and the DLB to improve customer service and security.

### January 21

Gov. Jay Nixon delivered the State of the State Address.

### January 22

Cindy Doss delivered a 2014 Legislation and Tax Filing update presentation for KC Chapter of Missouri Association of Tax Practitioners in Independence.

### January 22

Two representatives from the MVDL Division attended the Missouri Conference on Transportation hosted by the Missouri Chamber of Commerce.

### January 22

Rep. Kimberly Gardner, her intern, and legislative assistant toured the MVDL and Taxation Divisions.



**January 22**

Modifications to Temporary Registration Permit Application (TRPA) deployment.

**January 27**

The Paris License Office RFP was issued.

**January 27**

Cindy Doss delivered a 2014 Legislation and Tax Filing update presentation for the Missouri Society of Accountants in St. Louis.

**January 30**

Required county assessor annual reports were uploaded to the file transfer protocol (FTP) and e-mails were sent notifying them how to access it. Previously the vehicle information was sent on annual compact disks.

**January 31**

Subscriptions were obtained for electronic access to the Motor Vehicle Registration Manuals so the telephone information operators have access to other state titling and registration information right from the desktop.

## February

**February 2**

The MVB provided the State Tax Commission a historic vehicle report for all counties.

**February 3**

A representative from the MVDL Division gave a life skills training presentation to youth at the Michael W. Prenger Family Center in Jefferson City.

**February 3**

Representatives from the MVDL Division met with the county collector and assessor working group to resolve issues of mutual concern and improve communication.

**February 4-5**

A DLB staff member was a presenter at the Missouri Trucking Association's Safety & Maintenance Conference in Branson.

**February 5**

The Ellisville and Miner Municipal Courts began reporting convictions electronically to the DLB.

**February 9**

The Cassville License Office contract was awarded to License Office Services, LLC in Jefferson City.

**February 9**

The Neosho License Office contract was awarded to Neosho Area Business and Industrial Foundation, Inc.

**February 10-12**

The DLB's CDL Coordinator attended the 2015 CDL/IT Coordinators Meeting in Charlotte, North Carolina.

**February 12**

The DLB completed a purge of its SR-22/SR-26 filings.

**February 19**

Modifications to KEDS deployment.

**February 22**

Modifications to online Assessor/Collector System deployment.

**February 23-25**

Taxation Management attended the FTA Compliance and Education Workshop in Charlotte, North Carolina.

**February 24**

Changes were made to MVB's Document Control including a new report that will identify expired dealer bonds.

**February 27**

Fifty-nine new vision machines were shipped to field coordinators for distribution to license offices.

## March

**March 1**

The name-based criminal history record check charge increased from \$11 to \$12.

**March 2**

Modifications to PPR application deployment.

**March 5**

A DLB staff member attended the Sub-committee on Elder Mobility and Safety (SEMS) Meeting.

**March 5**

The DLB transitioned the responsibility for the driver license vendor background checks to the Personnel Services Bureau (PSB).

**March 9**

Two MVB representatives presented information at the Southeast Missouri Regional Collectors Meeting in Dexter.

**March 11**

Forty-one new vision machines were shipped to field coordinators for distribution to license offices.

**March 12**

The Department provides tax filing tips.

**March 15**

Modifications to TRIPS deployment.

**March 16**

The Marble Hill License Office contract was awarded to Bollinger County Abstract and Title Co., Inc.

**March 17**

The Department announced tax assistance locations available throughout Missouri.

**March 18**

The DLB and legal staff members met with the 12th Judicial Circuit Court Judge, Driving While Intoxicated Court Judge, and Court Administrator in Warrenton to explain and clarify driver licensing laws.

**March 19**

A DLB staff member attended the Missouri Trucking Association's Council of Safety Supervisors Meeting.

**March 23**

The Blue Springs License Office opened at a new location.

**March 25**

The MVB's imaging area received three new replacement imaging machines.

**March 25**

Thirty-seven new vision machines were shipped to field coordinators for distribution to license offices.

**March 26**

Thirteen new vision machines were shipped to field coordinators for distribution to license offices.

**March 26**

The Clayton License Office RFP was issued.

**March 27**

The Potosi License Office contract was awarded to the Washington County Chamber of Commerce.

**March 28**

The MVB purged 395,977 disabled person placards.

**March 30**

Twenty-four new vision machines were shipped to field coordinators for distribution to license offices.

**March 30**

The Brookfield License Office RFP was issued.

**March 31**

Modifications to OPPRS and KEDS deployments.

## April

**April 1**

The Brookfield License Office RFP issued.

**April 1**

The online Assessor/Collector System's motor vehicle records refresh changed to monthly versus quarterly.

**April 7**

Bill Review and Legal Analysis Process Flow Chart created.

**April 7-9**

The Excise Tax Supervisor attended the 2015 Tobacco Central Region meeting in Overland Park, Kansas.

**April 8**

Arnold Municipal Court began reporting convictions electronically to the DLB.

**April 11**

The first stage of the DLB's Issuance History purge ran.

**April 13**

St. Peters Municipal Court began reporting convictions electronically to the DLB.

**April 14**

Representatives from the MVDL Division presented information at 3M's speaking engagement at the Capital Plaza Hotel.

**April 14**

Gov. Jay Nixon signed Senate Bill 149, creating sales and use tax exemptions for data storage centers.

**April 15**

State and Federal Income Tax Deadline.

**April 18**

Ran the second stage of the DLB's Issuance History purge.

**April 18-24**

Missouri's seventh annual Show-Me Green Sales Tax Holiday provides shoppers in Missouri the opportunity to save on energy-efficient appliances.

**April 22**

The Piedmont/Greenville License Office contract was awarded to Norris Insurance Agency in Piedmont.

**April 22**

The Deputy Director John Mollenkamp attended the National Governor's Association Delivering Results Summit in Denver, Colorado.

**April 22**

Salvage Business License renewals mailed.

**April 22**

Title Service Business License renewals mailed.

**April 25**

The third and final stage of the DLB's Issuance History purge was run.

**April 27**

Gov. Jay Nixon signed House Bill 14, the FY2015 supplemental budget bill, which provides more than \$250 million in necessary funding for core government operations, including Missouri K-12 classrooms, and services for abused children, seniors, blind Missourians, and Missourians with disabilities for the current fiscal year ending on June 30.

**April 27**

Gov. Jay Nixon signed House Bill 384, Tax Amnesty.

**April 27-28**

Field coordinator two-day training in Jefferson City.

## May

**May 1**

Department employees donated 10,913 pounds of food to support the Buddy Pack program food drive.

**May 4**

April 2015 edition of Titling Tips was posted on the website and e-mailed to the list serve.

**May 4**

Volume 4, Edition 2, of the Department's Tax Bulletin was published. The bulletin introduced the Director Nia Ray, new sales and use tax videos, the military liaison, and discussed identity theft awareness and reporting.

**May 4-6**

A Taxation staff member attended the FTA E-file Symposium in Seattle, Washington.

**May 5**

A field coordinator had a booth at the Springfield Prison Resource Fair for inmates (soon to be released) to obtain driver license and motor vehicle resource information to assist with their transition.

**May 6**

Gov. Jay Nixon signed Senate Bill 19, which relates to the allocation of corporate income tax. It allows sellers of intangible property and services to compute Missouri income based on in-state sales only.

**May 7**

A DLB staff member participated in the Third Party Examiner Training at the Safety Center in Warrensburg.

**May 7**

Daviess County began reporting PPT records for online use by the Department.

**May 9**

The DLB's Action History purge was run.

**May 12**

A DLB staff member attended the CIB Spring In-Service Meeting and provided agent training on driver license security features.

**May 18-20**

A representative from the DLB attended the 3rd Annual Association of Ignition Interlock Program Administrators Conference in St. Paul, Minnesota.

**May 20**

The Department Workplace Wellness Program hosts National Employee Health and Fitness Day. A wellness walk, healthy snacks, and prizes were part of this healthy workplace-centered event.

**May 21**

Two representatives from the DLB were presenters at the Missouri Association of Court Administrators (MACA) conference held at Tan-Tar-A at the Lake of the Ozarks.

**May 26**

The MVB's online Notice of Sale System was enhanced to notify motor vehicle dealers upon entry into the system of outstanding sales reports yet to be filed.

**May 27**

House Bill 137 was delivered to Gov. Jay Nixon on May 27. After the close of session on May 30, Gov. Jay Nixon had 45 days to either sign the bill into law or to veto it. Gov. Jay Nixon took no action, and it became law. House Bill 137 also had an emergency clause which means it immediately became law 45 days after the close of session (on July 14). House Bill 137 includes provisions prohibiting the Department from awarding points to a license office contract bidder for a return-to-the-state provision in the contract, and also includes a provision stating special consideration

shall be given to not-for-profit organizations that reinvest a minimum of 75 percent of the net proceeds from the operation of the license office.

**May 27**

The kickoff meeting for the MVDL Integration System Prep Teams was held with the Oversight Team.

**May 27**

Modifications to OPPRS and PPR deployments.

## June

**June 6**

The MVB purged 26,921 records from GRS Error File.

**June 11**

Modifications to MORE, TRPA, and online notice of sale (NOS) deployments.

**June 12**

Monroe County began reporting PPT records for online use by the Department.

**June 13-14**

The MVB purged 2,415,542 records from GRS.

**June 15-18**

Director Nia Ray and Deputy Director John Mollenkamp attended the Federation of Tax Administrator's Annual Meeting in Minnesota.

**June 19**

A DLB staff member attended the Subcommittee on Elder Mobility and Safety (SEMS) Meeting.

**June 22**

Gov. Jay Nixon signed House Bill 111 which exempts the sale of used manufactured homes from state and local sales and use tax.

**June 22**

Gov. Jay Nixon signed Senate Bill 336, which limits the calculation of state withholding taxes on tip income received by employees.

**June 22-24**

The DLB conducted ten license office conference call training sessions on the CLD Permit Rule changes.

**June 22-26**

Director Nia Ray and Deputy Director John Mollenkamp traveled to visit field offices.

**June 23**

A DLB staff member was a presenter at the Missouri School Bus Contractors Association (MSBCA) Annual Convention in Branson.

**June 24**

A representative from the MVDL Division gave a life skills training presentation to youth at the Michael W. Prenger Family Center in Jefferson City.

**June 24**

Representatives from MVDL Division and MSHP held their quarterly meeting.



**June 24**

Gov. Jay Nixon approved House Bill 686 which fixes the issue created by the Ensor case, which allows out-of-state junk designations to be removed from subsequent titles. This bill provides that the junk or similar designation from another state shall be carried forward as a junk designation on the Missouri title. This bill also allows the Department to accept an electronic signature for electronically-filed notices of sale.

**June 25**

Gov. Jay Nixon approved House Bill 179, which includes provisions related to documents needed to obtain the veteran designation on driver licenses, permitting individuals that retired from the military to use the United States Uniformed Services Identification Card to obtain the veteran designation.

**June 29**

The DLB implemented the federal CDL permit rule provisions.

**June 30**

Modifications to TRIPS deployment.

**June 30**

Gov. Jay Nixon approved House Bill 524, which allows the Department to modify its systems to allow lienholders to electronically release their liens on motor vehicles, trailers, boats, outboard motors, and manufactured homes.

**June 30**

Gov. Jay Nixon approved House Bill 869, which clarifies language related to the exemptions that apply to the sales tax on the titling of motor vehicles, trailers, boats, and outboard motors.

## July

**July 1**

Owners of commercial motor vehicles licensed 18,000 - 54,000 pounds now have the option to renew their plates biennially.

**July 2**

Volume 4, Edition 3, of the Department's Tax Bulletin was published. The bulletin discussed 2015 tax legislation which included House Bill 384 Tax Amnesty, Senate Bill 149 Sales and Use Tax Exemption for data storage center facilities, and Senate Bill 366 which included changes to employee tip reporting.

**July 6**

Gov. Jay Nixon signed Senate Bill 18, which requires the Department to notify sellers when the Department, the Administrative Hearing Commission, or the Missouri Supreme Court makes a change to what is taxable under the sales tax law.

**July 6**

Gov. Jay Nixon signed Senate Bill 166, which changes the "I Have a Dream" license plate to the "Dare to Dream" license plate.

**July 6**

Gov. Jay Nixon approved House Bill 517, which includes several provisions related to state taxation. This bill reduces the time to pay refunds for income tax returns from 90 days after the due date to 45 days after filing, authorizes an income tax deduction for a taxable year in which a stillborn child was born, limits the calculation of state withholding taxes on tip income received by employees and specifies that mandatory gratuities are no longer subject to sales tax, increases the statute of limitations to claim a credit or refund for overpaid income tax in certain circumstances, authorizes a "fly away" exemption for aircraft purchases in the state by a nonresident, adds graphing calculators to the Back-to-School Sales Tax Holiday, and allows a seller to advertise that it will absorb the sales tax.

**July 7**

Cindy Doss delivered a 2015 Legislation and Tax Filing update presentation for the University of Missouri Extension in Columbia.

**July 9**

Gov. Jay Nixon signed Senate Bill 5, which is the bill related to local municipal courts and includes amendments to the Macks Creek Law. It includes provisions related to minor traffic violations, income tax offsets for municipal court fines, and the Department's responsibility with regard to excess traffic revenues and the reports that local governments must file related to excess revenues.

**July 13**

Gov. Jay Nixon signed Senate Bill 254, which changes the contribution for the "God Bless America" plate from the WWII memorial in Washington, D.C., to the WWI memorial in Kansas City. This bill also changes the issuance of restricted and limited driving privileges and certain reinstatement requirements specifically relating to the installation and monitoring of ignition interlock devices.

**July 13**

Gov. Jay Nixon signed Senate Bill 456, which changes the law allowing Missouri dealers purchasing and selling vehicles without a title, increases the time permitted for a temporary permit when a vehicle is sold without a title, allows for alternative agreements with license dealers to ensure compliance, and permits electronic signatures for use on certain documents related to insurance companies paying for a total loss on a vehicle.

**July 15**

A DLB staff member was a presenter at the Missouri Association for Pupil Transportation's Annual Conference and Trade Show in Springfield.

**July 16**

Modification to online Notice of Lien System deployment.

**July 17**

Barry and Ripley Counties began reporting PPT records for online use by the Department.

**July 20**

Several changes made to MVB's mainframe VIN History Browse and VIN History Inquiry addressing fixes and enhancements.

**July 24**

Howell and Wayne Counties began reporting PPT records for online use by the Department.

**July 27**

A DLB staff member was a presenter at the Missouri School Bus Task Force summer certification training session for school bus drivers in Warrensburg.

**July 30**

The Wellston Municipal Court began reporting convictions electronically to the DLB.

## August

**August 1**

Motor Vehicle dealer refunds were turned over to the Division of Administration's refund group to provide consistency with processing refunds.

**August 3**

The Dealer License and Lease Rental Business License renewals were mailed.

**August 3-14**

Representatives from the MVDL Division attended the Missouri Automobile Dealers Association Regional Trainings to assist with presentations on legislative changes regarding dealers.

**August 3-6**

Members of the Division Director's office attended FTA Technology and an RSI user group meeting in Omaha, NE.

**August 5**

Representatives from Johnson County, Kansas, visited the Parkville License Office to gather their perspective on bidding out license offices and how the process works for them.

**August 7-9**

Back-to-School Sales Tax Holiday.

**August 14**

Corporate tax sent a file with 391 non-compliant corporations to Secretary of State for possible dissolution.

**August 23-26**

The Department hosted the 2015 FTA Tobacco Tax Uniformity Meeting and Annual FTA Tobacco Tax Conference in St. Louis. Attendees included representatives from the Business Tax and Compliance and Investigation Bureaus.

**August 23-26**

Deputy Director John Mollenkamp and management from various areas attended the 2015 Midwestern States Association of Tax Administrators Conference in Rapid City, South Dakota. Management attendees included: representatives from Business Tax; Personal Tax; Criminal Tax Investigation Bureau; Field Audit; and General Counsel.

**August 25**

August 2015 edition of Titling Tips was posted on the website and e-mailed to the list serve.

**August 28**

Shannon County began reporting PPT records for online use by the Department.

**August 28**

Tax Amnesty eligibility letters were sent to eligible business taxpayers.

## September

**September 1**

As required by Senate Bill No. 5, the Department took action to implement municipal court reform by filing an emergency rule directing local governments on the process of remitting excess revenue they receive from fines, bond forfeitures, and court costs associated with minor traffic violations.

**September 1**

The Department unveiled changes to the layout and appearance of the Department's website.

**September 1**

Missouri opened Tax Amnesty, a one-time opportunity to pay back taxes that were due prior to Dec. 31, 2014, without having to pay interest or penalties to individuals and businesses.

**September 1**

Modifications to MORE deployment.

**September 1-2**

Twelve members of the MVDL Division attended an Agile Project Management class at Concordia University in St. Louis.

**September 2**

Deputy Director John Mollenkamp attended Gov. Jay Nixon's Conference Economic Development in St. Louis.

**September 8**

Began robo call campaign to amnesty eligible taxpayers. The campaign reached approximately 177,500 taxpayers.

**September 11**

Modifications to TRPA deployment.

**September 14-17**

Members of the Division Director's office attended a Streamlined Sales and Use Tax annual meeting in Louisville, Kentucky.

**September 16**

A representative from the MVDL Division gave a life skills training presentation to youth at the Michael W. Prenger Family Center in Jefferson City.

**September 16**

Two MVB representatives presented information at the Southeast Missouri Regional Collectors Conference in Jackson.

**September 16**

The Legislature voted to override Gov. Jay Nixon's veto of Senate Bill 20, which creates a new exemption for materials, machinery and parts, utilities, chemicals, soaps, detergents, cleaners, and other ingredients and materials used by large commercial laundries to treat, clean, and sanitize textiles.

**September 16**

The Paris, Osceola, Marble Hill, Florissant, and Brookfield License Office RFPs were issued.

**September 21-24**

Six members of the MVDL Division attended a PMP Exam Book Camp in St. Louis.

**September 23**

The Aurora, Clayton, Kansas City, South Fremont, Lebanon, and second Columbia License Office RFPs were issued.

**September 29**

The MVB administrator was a presenter at the Missouri State Assessors Association Conference in Branson.

**September 30**

The Belton, Independence, Licking, Raytown, St. Joseph, South Kingshighway, Union, Viburnum, and West County License Office RFPs were issued.

## October

**October 1**

Two representatives from the DLB presented information to new court clerks at the Missouri Association of Court Administrators (MACA) conference held in Kansas City.

**October 1**

Modifications to MORE deployment.

**October 2**

Modifications to TRPA deployment.

**October 7**

A representative from the DLB attended the School Bus Task Force meeting in Columbia.

**October 7-9**

Three representatives from the MVDL Division attended the Missouri Trucking Association's Annual Convention in Branson.

**October 8-9**

Deputy Director John Mollenkamp attended the Annual Meeting of Missouri Bar.

**October 13**

A DLB staff member represented the Department at the Project Homeless Connect event in Jefferson City. The DLB was able to assist 16 citizens in obtaining nondriver ID cards.

**October 14**

Representatives from MVDL met with the county collector and assessor working group to resolve issues of mutual concern and improve communication.

**October 16**

Cindy Doss delivered a 2015 Legislation and Tax Filing update presentation for the AARP in St. Louis.

**October 18-22**

Taxation Management attended the Teradata Partner's Conference in Anaheim, California.

**October 22**

Taxation Management attended the Missouri Tax, Business and Manufacturing Conference in Columbia.

**October 22**

Cindy Doss delivered a 2015 Individual Income Tax Legislation and Tax Filing update presentation for the Associated Industries of Missouri in Columbia.

**October 23**

Cindy Doss delivered a 2015 Legislation and Tax Filing update presentation for the National Association of Tax Professionals in St. Charles.

**October 26**

Volume 4, Edition 4 of the Department's Tax Bulletin was published. The bulletin discussed refund fraud prevention, tax amnesty filing deadline, the Department website changes, and Senate Bill 19 corporate franchise tax update.

**October 27**

A DLB staff member attended a MoDOT Teen Program Assessment Meeting in Columbia.

**October 28**

Cindy Doss delivered a 2015 Legislation and Tax Filing update presentation for the University of Missouri Extension in Springfield.

## November

**November 30-December 1**

Two representatives from the DLB attended the Impaired Driving Summit in Columbia.

**November 5**

The Paris License Office contract was awarded to J.A.C.S. Ramos LLC in Paris.

**November 6**

The Marble Hill and Osceola License Office RFPs were issued and the Brookfield License Office was awarded to JA Morgan, LLC.

**November 11**

Cindy Doss delivered a 2015 Legislation and Tax Filing update presentation for the State of Kansas National Association of Tax Professionals in Overland Park, Kansas.

**November 13**

The Branson, Branson West, and Ste. Genevieve License Office RFPs were issued.

**November 16-19**

Director Nia Ray attended the Nexus School in Helena, Montana.



**November 18-20**

Deputy Director John Mollenkamp attended the Federation of Tax Administrators Board Meeting in Washington, DC.

**November 19**

Cindy Doss delivered a 2015 Legislation and Tax Filing update presentation for the Independent Accountants Association of Illinois in Edwardsville, Illinois.

**November 19**

Alicia Ichrist delivered a 2015 Legislation and Tax Filing update presentation for the Missouri Society of Accountants in Springfield.

**November 20**

Modifications to online notice of lien (NOL) and NOS systems deployments.

**November 23**

Cindy Doss delivered a 2015 Legislation and Tax Filing update presentation for the Missouri Society of Accountants in St. Louis.

**November 23**

Licking License Office contract was awarded to Jacqueline A. Duncan in Licking.

**November 24**

Permanent files finished the delinquent file purge removing 70,820 files.

**November 30**

Missouri's 2015 Tax Amnesty Program ends.

## December

**December 1**

A DLB staff member presented information at the Michael W. Prenger Family Center in Jefferson City for their Life Skills Training program.

**December 2**

The MVB administrator was a panel member at the Vehicle Safety & Maintenance Forum in St. Louis, sponsored by the Automotive Service Association.

**December 2**

Corporate tax year end testing concluded.

**December 7**

The Paris License Office opened.

**December 8**

Cindy Doss and Alicia Ichrist delivered a 2015 Legislation and Tax Filing update presentation for the AARP in St. Louis.

**December 8**

The MVB began sharing mail-in work with the license offices.

**December 8**

Modification made to TRIPS to include Alternative Fuel Decal processing.

**December 10**

December 2015 edition of Titling Tips was posted on the website and e-mailed to the list serve.

**December 11**

Cindy Doss and Alicia Ichrist delivered a 2015 Legislation and Tax Filing update presentation for the AARP in Kansas City.

**December 16**

The Brookfield License Office opened.

**December 14**

Bar codes were added to MVB's reject letters to reduce data entry and simplify retrieval of rejected applications.

**December 14**

The MVB mailed 1,979 Special Fuel Notices.

**December 14-15**

The Department co-hosted a Multistate Tax Commission (MTC) training in Kansas City.

**December 21**

Director Nia Ray and Deputy Director John Mollenkamp participated in the Department's Wellness Holiday Event.

**December 31**

The MVB revised and finalized 55 desktop procedures throughout the year.



# Challenges in 2015

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## Taxation Division

Implementing the Integrated Revenue System was one of the biggest challenges for the Taxation Division in 2015. The implementation requires many staff members to be involved in designing the system, collecting data, and participating in various testing and conversion sessions. This participation takes them away from their regular job duties. Significant shifts of personnel and reassignment of responsibilities are an on-going challenge to meet the demands of the project yet maintain productivity.

Tax amnesty was another significant challenge. While the program was officially limited from Sept. 1, 2015, through Nov. 30, 2015, Department personnel began the planning and implementation of the program many months prior to the kick off and continued well into February of 2016 completing various tasks.

Turnover of staff in various key functional areas negatively impacted overall processing cycle times and resulted in increased work backlogs. Once again turnover in our Field Compliance Bureau (FBC) and in our delinquent call center presented the greatest challenges. In the FBC, management labor costs have increased by placing classified ads, reviewing applications, interviewing, and training thus not allowing them to focus on audits. Turnover negatively impacts taxpayers, causes delays in needed revenue, and directly works against the bureau initiatives for increased efficiencies.

Reorganization of Business Tax included combining Corporate Tax, Excise Tax, Support Services and County Fees under one manager; Withholding Tax and Technical Sales Tax under one manager; and Cashiering/Imaging and Business Tax Processing under one manager.

As with any new system, we continue to work on issues concerning the Integrated Revenue System (Release 1) with Tire and Battery Fee. As new scenarios arise, we test and work with RSI to implement the changes needed to correct the issue.

In individual income tax, we have an ongoing battle to identify and prevent fraudulent refund claims. In 2015, more than \$85 million in fraudulent refunds was stopped prior to issuance.

The FBC continues to implement new audit practices which work to increase the effectiveness of our audits and follow our annual audit plan goals and measures. Supervisors and managers are recognizing the benefits and importance of being more involved in the overall audit process. Continued training and development of our front line supervisors continues to be a priority in order to exceed and meet all bureau and field office audit plan goals and measures.

## Motor Vehicle and Driver Licensing Division

Monitoring all license office transactions for compliance with Senate Bill 252 without additional staff.

The dealer licensing section was again challenged in processing the same amount of work with only half of the staff and still meeting the deadlines. Staff was required to work overtime and staff from other areas was pulled to assist creating delays in other processes.

The overall employee turnover rate for MVB was 18 percent.

Modifying the Request for Proposal (RFP) to streamline the process and revising related exhibits to eliminate any ambiguity in preprinted responses, hold contractors more accountable for their proposals, and simplify contract compliance.

Training three new field coordinators on the extensive amount of information required as tenured coordinators retire.

MVB continues to operate on legacy systems that have been in operation for many years, were developed uniquely for each function, and do not communicate with each other. While these systems have been substantially modified over the years to support new business requirements, they are barely adequate to meet the bureau's current business needs. Modification to the systems to meet new requirements legislated each year is becoming more and more difficult.

Changing the RFP evaluation point structure to redistribute points previously assigned for Return to State which was removed from the RFP due to House Bill 137 and to implement other provisions of House Bill 137.

Completing each Evaluation Summary Report to comply with OA's Division of Purchasing's new requirements for showing what proposals were receiving credit and which were not.

Assisting OA's Division of Purchasing prepare detailed responses to numerous license office award protests as well as prepare for and be deposed in response to a license office lawsuit against the Department.

Keeping a detailed checklist with over 160 different steps to update for each office as items associated with the RFP evaluation process were completed to ensure all tasks are completed.

Training staff members who were promoted and then back-filling their positions and dealing with learning curves and vacancies while maintaining existing workloads.

Revising and developing all forms and procedures to implement and ensure compliance with the provisions of the updated RFP.

Monitoring compliance with three different RFPs while conducting 317 contract compliance reviews and over 1,900 monthly reviews in 178 license offices where overall employee turnover was over 40 percent during CY2015.

Allocating resources to review transactions for possible fraud and appropriate sales tax collections, review transactions from offices with high error rates as a follow-up to IACU audits, and complete the related manual processing and tracking due to all of the RFP related tasks that must be completed.

## **Legal Services Division**

Complying and meeting the requirements of increased auditing assignments of tax credit programs while maintaining the level of reviews of motor vehicle, driver licensing, and license office responsibilities.

Providing additional research and support to the divisions following unexpected outcomes from litigation.

Providing support to prosecutors who file criminal charges following investigations.

Utilize available staff in the most effective way for meeting regional administrative DWI hearing procedures.

## **Administration Division**

Upgrades to Internet browsers caused the Department's web editing software (Adobe Contribute) to malfunction. Website updates that were normally initiated by Communications and Training staff had to be filtered through OA-ITSD. This additional step often delayed information updates on the Department's website.

Video editing computer and software is limited to one computer within the Communications and Training section which presents limited usage and training opportunities for multiple individuals hoping to cross-train on the video projects.

Some suggested changes to the Missouri Transportation Accounting System (MTAS) were put on hold due to the possibility of developing a Motor Vehicle and Driver License Integrated system. The suggested changes would allow interfaces with other systems that would eliminate double and triple keying.

OA - Facilities management directed the Department to move the Distribution Center from Scruggs Station Road to the Truman Building. This move resulted in a significant reduction in space and required other Department staff to move on the 1st floor of the Truman Building to accommodate the move. Finalizing a floor plan that would accommodate the processes was a big challenge.

Recruiting tax auditors in the FBC was a challenge due to salary limitations and education requirements.

The LeaveTrack system platform is no longer supported by OA-ITSD, so all needed updates and enhancements were placed on hold until a new time and leave system can be implemented.

Several Personnel staff transitions occurred this year requiring additional staff training and task reassignments.





# Goals for 2016

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## **Taxation Division**

Complete successful releases of the web portal in February 2016 and the Integrated Revenue System in July 2016.

Maintain processing times and necessary functions while staff is committed to the Integrated Revenue System development and implementation activities for Release 2.

Identify process improvements and best practices to go along with new system implementation.

Continue to conduct meetings with management and staff to evaluate current processes for efficiencies while focusing on adjustments that position the work units and sections in line with the implementation of the new Integrated Revenue System (Release 2).

Test and implement Release 2 of the Integrated Revenue System with minimal disruption to our normal job functions and cycle times.

Continue to issue refunds within the limits provided by statute to avoid interest.

Continue to seek methods to advance/promote the usage of electronic filing of tax returns.

Continue to cross-train employees on various job duties to help with staff utilization, improve cycle times, and look for opportunities to consolidate processes and/or functions to reduce hand-offs and improve overall processing cycle time.

Provide new hires with the necessary support and training to be successful employees within their assigned work areas.

Continue to develop online instructional and information tools for both internal users and taxpayers.

Continue to provide leadership opportunities for employees demonstrating a desire to advance within the organization through mentoring and training opportunities.

Continue to work with other states as well as other state agencies to expand the debt-offset program for collection of delinquent taxes.

Continue to maximize the use of the Enterprise Data Warehouse by implementing improved analytics as part of the Integrated Revenue System project to improve identification of

non-compliant individuals and businesses and collection of the taxes due.

Continue to identify improvements on recognizing the filings of fraudulent returns. Make the necessary income tax form changes in preparation of Release 3 in 2017.

The Field Compliance Bureau (FCB) continues to work towards the implementation of a paperless audit package process. This will result in cost savings due to the reduction of time and expense, and will help the bureau streamline its operations.

The FBC is working to roll out efficiency gains with our new systems. This year the FBC will adopt many changes with its Case Audit Management System in computation and billing processes. These changes will allow for a decrease in audit cycle days and ensure time savings for the staff.

The FBC will be rolling out Revenue Premier which contains all the financial information that the auditors will need to conduct audits. As with any new processes or systems, there will be much needed training and transition for the FBC.

The FBC is developing new training programs for the Field Supervisor. The training will focus on the direct technical needs of the supervisor team, and also include soft skills guidance.

The FBC will work to achieve its FY2016 audit plan goals and metrics that will result in improvements of the audit operations.

Implement changes to garnishment forms and processes based on amendments to Supreme Court Rules 76.075 and 90.01 through 90.19.

## **Motor Vehicle and Driver Licensing Division**

Finalize the Driver License RFP and prepare for posting when requested.

Modify and test the programs to prepare for the implementation of the Ignition Interlock provisions in Senate Bill 254, which take effect on Jan. 1, 2017.

Modify and test the programs to prepare for the implementation of the Crime Bill provisions in Senate Bill 491 and House Bill 1371, which take effect on Jan. 1, 2017.

Upgrade the Verification of Lawful Status (VLS) Application to version 3.0.

Continue to work with OA-ITSD to implement the new Enterprise Content Management Hyland OnBase system.

Continue to research and increase the number of title and registration edits completed at the time the transaction is processed to decrease the number of transactions that must go through a secondary review by the central office.

Decrease the overall turnover rate for MVB by improving employee morale and the work environment.

Continue cross-training within motor vehicle teams to reduce all single points of failure.

Complete implementation of DMV Connect dealer processes replacing the IMVDL system.

Research, analyze, and begin development on a new Notice of Lien system.

Reduce backlogs, which in return will reduce incoming calls.

Reduce the volume of work coming into MVB by promoting local license offices as a resource, consider moving select Central Office Only transactions to license offices, and promote usage of the Online Personalized Plate System for all standard personalized plate reservation requests.

Continue working with OA-ITSD to test the electronic application for completing the Monthly Performance Review (Form 5537) and develop the reporting phase of the project.

Work with the Personnel Services Bureau (PSB) to develop and put into production a contract compliance form that is suitable for all contracts issued after September 2013.

Develop and implement training for license offices regarding the license office contract and transaction processing in the various regions throughout the state.

Continue to complete interim contract compliance checks on all offices within 60 days of the office's opening date.

Continue to evaluate the effectiveness of the new RFP for any improvements needed.

Discuss the feasibility of moving forward with creating a License Office Management and Reporting System that encompasses all information about and performance of each individual license office.

Continue to identify measures to reduce and identify sales tax, title, registration, and driver license fraud. Also, evaluate the results of the dealer e-mail pilot program to determine if full implementation is appropriate to the degree resources permit.

Work with OA-ITSD and PSB to develop a plan to allow offices to submit their inventory corrections via a fax-based e-mail.

Develop procedures for all job components in the LOB Administrative Office.

## Legal Services Division

Effectively allocate and manage legal and support staff to meet increased levels of circuit court litigation. Increase efficiencies through the use of technology for legal research.

Take advantage of training and networking opportunities.

Promote collaboration between the bureaus and the other divisions to maximize staff utilization.

Continue to provide training for administrative DWI issues.

Continue providing investigation of criminal acts including efforts to detect and prohibit identity theft.

Continue efforts to detect and thwart fraudulent activities both locally and regionally.

Continue to plan for and make arrangements for back up support for mission critical functions.

## Administration Division

Update the Motor Vehicle Refund System for processing efficiencies and implement electronic payment of refund requests. This is a re-write of our current system.

Work with OA-Procurement to incorporate our purchase requisition process into their new procurement system.

Work with Collector Solutions, Inc. to test and deploy equipment that will allow offices to accept credit and debit cards with security chips. The goal is to deploy to the MVDL offices in late summer 2016.

Teams are currently designing phase two of the new Integrated Motor Vehicle and Driver Licensing system (DMV Connect). Accounting staff are involved to ensure appropriate accounting and distribution of funds. The goal is to use this system as the basis for the MV Integrated System. Documentation is mostly completed for current processes.

Continue working with divisions to maintain or increase electronic payment solutions, and reduce the number of paper checks the Department issues.

Coordinate the renovation of several sections within the Driver License Bureau.

Relocate the Distribution Center from Scruggs Station Road to the Truman Building. This move will require approximately 150 shelving units of business tax paper files to be boxed up and stored at the Warehouse and Archive Center until they can be scanned.

The Forms Group will continue to work on development of the forms for the Integrated Revenue System. The expectation is to have all forms completed for Release 3 of the integrated system by the end of CY2015.

The Forms Group will continue to work on developing forms for DMV Connect.

The Public Outreach group will continue to work on producing informational videos for the website.

Evaluate the ability to purchase the necessary imaging equipment to transition to a paperless personnel file system.

Create web-based exit interview system that employees can access individually when separating employment.

Evaluate a new time and leave system, implement a system already in use by other agencies, or possibly create a new system.

Review all administrative policies with revision dates older than three years and see which ones need to be updated.

### **Office of Administration - Information Technology Services Division (OS-ITSD)**

The current dealer system was developed by a vendor who has since gone out of business, leaving minimal support for the system. Performance and print issues exist due to the current system's reliance on printers that are reaching their end of life. The new system will include functionality to allow Missouri automobile dealers to submit applications online and renew requests electronically.

A new mobile application will allow citizens to prepare for a Missouri driver license test with mobile devices.

Continue to research how the Department's motor vehicle and driver licensing systems should be modernized.

Continue to work with the vendor to implement the next phases of the Integrated Revenue System.



